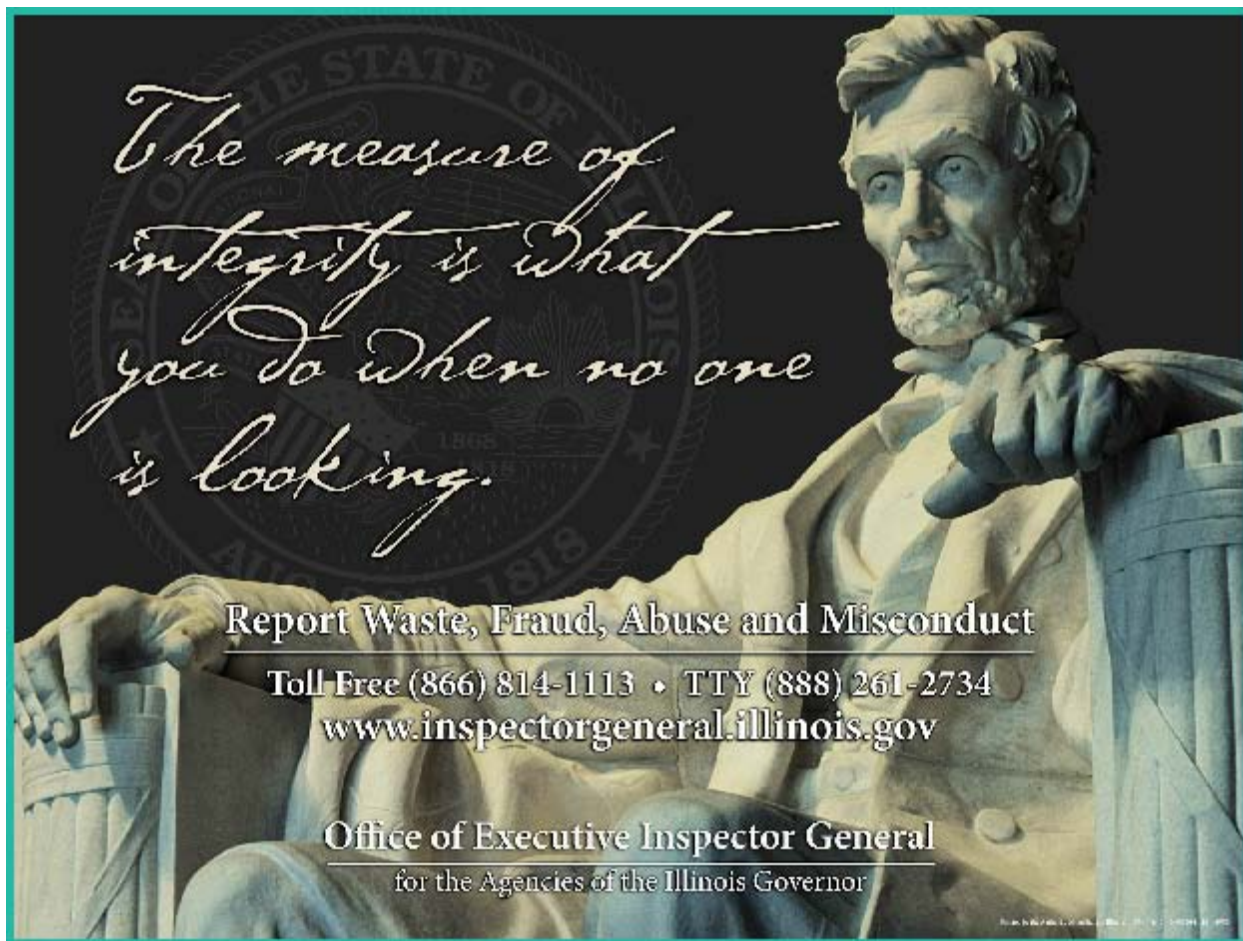


The background of the cover features a large, semi-circular seal of the State of Illinois. The seal is rendered in a light teal color against a darker teal background. It includes the text "SEAL OF THE STATE" at the top, "NATIONAL UNION" in a banner, "SOVEREIGNTY, NATIONALITY, STATE" in a scroll, and "AUG. 26TH" at the bottom. The seal depicts an eagle with wings spread, holding a shield on its chest.

Office of Executive Inspector General
for the Agencies of the Illinois Governor

E t h i c s | I n t e g r i t y | I l l i n o i s

ANNUAL REPORT | FISCAL YEAR 2010



Ethics | Integrity | Illinois

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OFFICE OF EXECUTIVE INSPECTOR GENERAL
FOR THE AGENCIES OF THE ILLINOIS GOVERNOR

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RICARDO MEZA
EXECUTIVE INSPECTOR GENERAL

February 10, 2011

Dear Citizens of Illinois:

Welcome, and thank you for viewing the Fiscal Year 2010 Annual Report of the Office of Executive Inspector General for the Agencies of the Illinois Governor (“OEIG”). It is my hope that this Annual Report will better acquaint you with the functions of our office and our role in maintaining integrity in state government.

On September 7, 2010, Governor Pat Quinn appointed me to serve as Acting Executive Inspector General for the Agencies of the Illinois Governor. On November 17, 2010, the Illinois Senate confirmed my appointment to a term that expires June 30, 2013. This report covers Fiscal Year 2010 (July 1, 2009 to June 30, 2010), which predates my appointment.

The Office of Executive Inspector General recognizes that the vast majority of state employees and officials are hardworking and honest individuals. However, we also believe that this office’s duties are a critical element to ensuring that state government functions efficiently and with integrity.

My vision for this office is one in which:

- citizens of Illinois view the OEIG as wholly independent, objective, and fair;
- those who wish to report misconduct to the OEIG may do so with relative ease;
- OEIG investigations are conducted thoroughly, objectively, and in a timely manner, and;
- the activities of the OEIG are transparent to the fullest extent allowed by law and rule.

Thank you for reading our annual report. Please feel free to contact us if you have any questions.

Sincerely,

Ricardo Meza
Executive Inspector General



Introduction

The Office of Executive Inspector General (“OEIG”) was established by the Governor’s Executive Order 3 on January 23, 2003, as the primary Illinois agency charged with upholding responsible and ethical conduct in the administration of state business. In December 2003, the Illinois State Officials and Employees Ethics Act (5 ILCS 430, *et seq.*, hereinafter, the “Ethics Act”) statutorily empowered the OEIG to investigate alleged violations of the Ethics Act and of any law, rule, regulation or policy by any state employee under its authority, including vendors and others doing business with an agency under OEIG jurisdiction. The OEIG is also responsible for administering ethics training to state employees, officials and appointees of the more than 300 state agencies, boards and nine state universities over which it currently possesses jurisdiction.

Subsequent revisions to the Ethics Act expanded the OEIG’s responsibilities, authorizing it to investigate anonymous complaints, to self-initiate investigations, and to monitor the hiring practices of the agencies, boards and universities within its jurisdiction to ensure compliance with state and federal employment laws. In addition to establishing the statutory authority of the OEIG, the Ethics Act contains provisions regulating certain types of conduct by state employees, such as:

- engaging in political activity and soliciting political contributions;
- making *ex parte* communications imparting information regarding regulatory, adjudicatory, investment or licensing matters;
- accepting gifts; and
- accepting subsequent employment (“Revolving Door”).

The Ethics Act also contains provisions protecting state employees from retaliation for reporting misconduct.

OEIG offices are located in Chicago and Springfield, and staff conduct investigations in nearly every county in the State of Illinois. As of the close of Fiscal Year 2010,¹ the OEIG had a workforce of 64 full-time employees consisting of investigators, computer forensic examination

¹ June 30, 2010



experts, attorneys, paralegals, accountants, administrative professionals, and support staff.² The Fiscal Year 2010 office budget was \$6,931,315.

The OEIG receives many of its complaints through its toll-free Ethics Hotline, at (866) 814-1113 (TTY (888) 261-2734). Complaints are also received by the offices via facsimile transmission at either (312) 814-5479 or (217) 782-1605 and by personal and mail deliveries.³ By law, the identity of a complainant is confidential and the OEIG takes every measure permissible by law to ensure it remains so.

Mission

The OEIG is an independent state agency dedicated to ensuring accountability in state government. The OEIG receives and fairly investigates complaints alleging violations of the Ethics Act, as well as fraud, waste, abuse, and other misconduct, and recommends corrective action in response thereto. In addition, the OEIG promotes, coordinates and administers the state's ethics training programs for the agencies under its jurisdiction.

Staff and Organizational Structure

The OEIG's senior staff is presently led by Executive Inspector General Ricardo Meza. Sean Ginty serves as Chief of Staff and General Counsel. Cole S. Kain is the First Deputy Inspector General. James Bonk is the Director of Investigations. Rochelle Hardy serves as the agency's Chief Financial and Compliance Officer and Wendy Washington serves as the OEIG's Director of Human Resources. David Keahl leads the Ethics Training and Compliance program.⁴

The OEIG is responsible for administering four major programs: investigations, revolving door determinations, hiring monitoring and ethics training. The Investigations department manages the first three programs, while the Ethics Training and Compliance department oversees ethics training for state employees under OEIG jurisdiction.

² As of January 27, 2011, the OEIG employed 58 full-time staff members. Fifteen of those employees are attorneys and include the Chief of Staff, First Deputy Inspector General, Springfield Deputy Director, Supervising Assistant Inspectors General and Assistant Inspectors General. Another 21 employees are investigators, including Supervising Investigators.

³ On October 5, 2010, after the 2010 Fiscal Year, the OEIG launched its online complaint form, allowing anyone to file complaints via our website at www.inspectorgeneral.illinois.gov.

⁴ Full management biographies may be found in Appendix I.



Investigations

As an independent investigative agency, the OEIG works to detect, identify, eliminate, and prevent violations of the Ethics Act and other laws, waste, fraud, misconduct, mismanagement and malfeasance.

In order to facilitate the collection of information during their inquiries, investigators and attorneys interview witnesses, acquire documents, analyze financial records, conduct surveillance, perform forensic examinations of computers and electronic files, and utilize a variety of other investigatory tools and techniques. The OEIG has subpoena power to acquire information from any person or entity when relevant to an investigation. Under the Governor's Administrative Order No. 6 (Dec. 2003), state employees under OEIG jurisdiction have a duty to report misconduct and to cooperate fully with the OEIG.

If the OEIG determines that reasonable cause exists to believe that a violation of the Ethics Act or relevant policy has occurred and an allegation is "Founded," it will submit a summary report to the appropriate state agency, board or university and to the Governor's office or other ultimate jurisdictional authority. The OEIG may recommend the agency take disciplinary and/or corrective action. The OEIG may also initiate an administrative action before the Executive Ethics Commission, which may assess a fine. If, during the course of an investigation, the OEIG believes a crime has been committed, it may refer the matter to the appropriate prosecutorial or law enforcement agency. If the OEIG determines that there is insufficient evidence that a violation has occurred and allegations are "Unfounded," the OEIG closes the investigation and provides a statement of its determination to the Executive Ethics Commission and the head of the appropriate agency, board or commission.

Revolving Door Determinations

Under Section 5-45 of the Ethics Act, known as the "Revolving Door Prohibition," the OEIG is responsible for determining whether former state employees are prohibited from accepting, for one year after leaving state service, certain jobs in the private sector. The Revolving Door Prohibition forbids certain former state employees or their immediate family members from taking jobs or compensation from entities who were subject to licensing, regulatory or contract decisions involving the state employee.

Certain current and former state employees are also required to notify the OEIG before they accept any non-state employment, so that the OEIG, working with agency Ethics Officers,



may determine if there is any statutorily prohibited conflict-of-interest that would prevent the state employee from lawfully accepting an offer of employment.⁵

Hiring Monitor

Under Section 20-20 of the Ethics Act, the OEIG is responsible for reviewing hiring practices and employment files of each state agency within its jurisdiction to ensure compliance with state and federal laws.

Ethics Training

In conjunction with the Executive Ethics Commission and in consultation with the Office of the Attorney General, the OEIG oversees an employee ethics training program for approximately 160,000 employees, appointees and officials of state agencies under its jurisdiction.

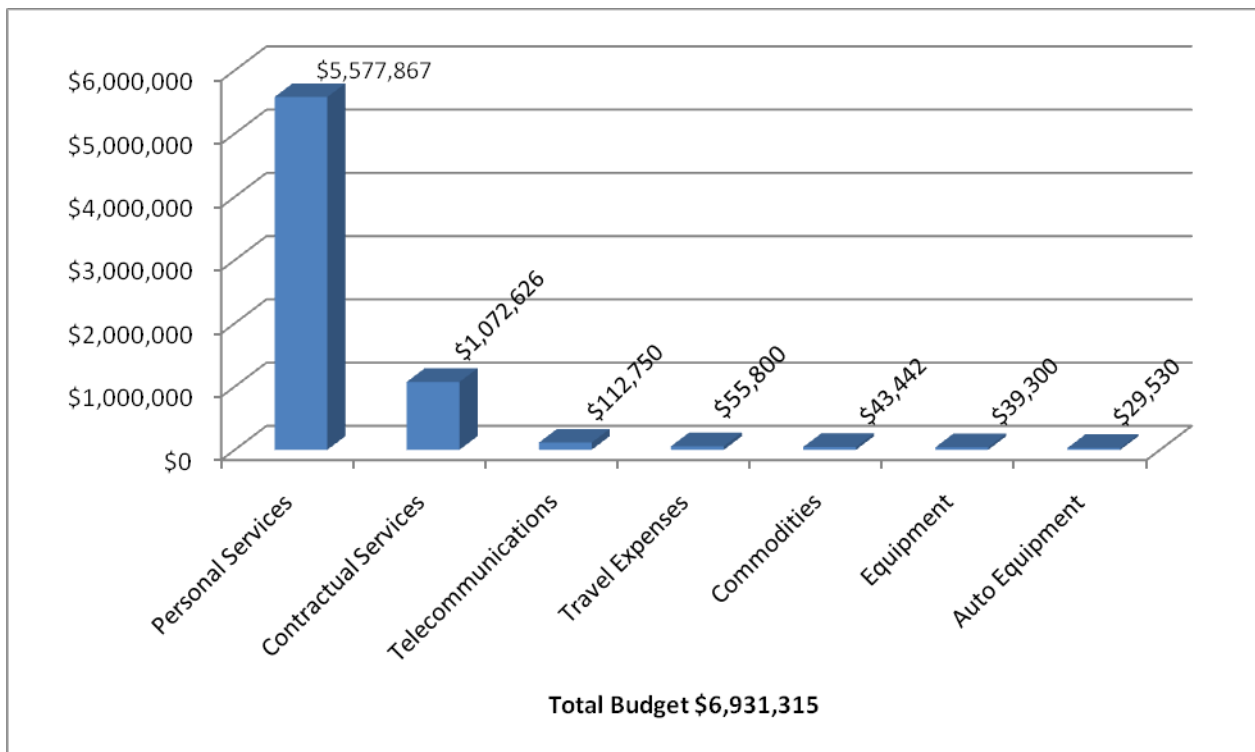
The courses offered under this program are intended to educate state employees and appointees regarding issues of ethics and integrity, and specifically about laws and policies that govern their conduct while working for the state. Under the State Officials and Employees Ethics Act, employees and appointees are required to complete such training on at least an annual basis. Additionally, all new state employees, officials, and appointees are required to complete ethics training within 30 days of their initial employment/appointment.

⁵ Revolving Door Forms RD-101, RD-102 and RD-103 were revised in January of 2011 and can be found on our website at <http://www2.illinois.gov/oeig/Pages/RevolvingDoorInstructions.aspx>.



Budget

In Fiscal Year 2010, the legislature appropriated \$6,931,315.40 for the OEIG. As with most organizations, the majority of the OEIG’s budget is expended on employee wages, salaries and benefits, which are reflected in the chart below under the “Personal Services” category. Contractual Services is the second most significant category of expenditure and is primarily composed of lease expenses for the OEIG’s Chicago and Springfield offices, costs for electronic data processing services provided by the Illinois Department of Central Management Services and vendor costs for technology used by the OEIG to deliver Internet-based state employee ethics training.





Fiscal Year 2010 Activity

This report examines OEIG activity in cases that fall into one of two statistical categories:

- 1) Complaints received and cases opened in Fiscal Year 2010, and
- 2) Cases opened in a prior fiscal year that continued into Fiscal Year 2010.

Complaints Received in Fiscal Year 2010

During Fiscal Year 2010 (July 1, 2009 through June 30, 2010), the OEIG received 1,171 complaints with a total of 1,391 allegations.⁶ Each complaint was reviewed to determine whether it met OEIG criteria for investigation, including its jurisdiction over the subject and subject matter, sufficient information to investigate and a reasonably credible assertion of an alleged violation.

During Fiscal Year 2010, the OEIG opened 256 new investigations, conducted 437 investigations,⁷ and concluded 173, with the remainder of investigations carried over to Fiscal Year 2011. Seventy-seven complaints were “Closed Without Report” for administrative reasons. Complaints that were “Closed Without Report” included, for example, those in which the subjects were outside OEIG jurisdiction; the subjects were under investigation by others, such as law enforcement agencies, or; the subject already may have been disciplined by the appropriate agency. The OEIG “Declined” 131 complaints for reasons that included an investigation was already being conducted (duplicate cases) or the allegations failed to name an entity or subject under OEIG jurisdiction. The OEIG “Referred” 710 complaints to an appropriate state entity such as another Executive Inspector General or to another state governmental unit for follow-up action. Complaints involving criminal conduct were forwarded to criminal prosecutors or other appropriate law enforcement agencies.

For administrative reasons, the OEIG identifies the state agency, university or board at which a subject is employed, even in circumstances where the subject acted alone and without authority.

The OEIG’s decision to decline to investigate a complaint is preceded by careful evaluation of the allegation and the regulatory framework that governs state employee conduct and OEIG activity. The greatest degree of deference is given to the complainant because it is the policy of this office to conduct investigations whenever possible unless presented with specific and compelling reasons. For example, Illinois statute precludes the OEIG from investigating violations more than one year old, absent special circumstances. When feasible, such allegations will be referred to other state or outside officials for investigation. However, if another

⁶ A complaint may include multiple allegations. This statistic does not include subsequent allegations or suspected wrongdoing the OEIG discovers during its investigations.

⁷ Includes investigations carried over from prior fiscal years.



investigatory entity already has commenced its investigation, or if legal or grievance action is pending, the OEIG may decline to investigate to avoid a conflict over jurisdiction and to avoid duplicating costs.

OEIG Activity Report:					
Fiscal Year 2006 – Fiscal Year 2010					
	FY '06	FY '07	FY '08	FY '09	FY '10
Complaints	1278	1270	1247	1303	1171
Allegations	*	1615	1631	1598	1391
Investigations Opened	622	209	186	215	256
Investigations Completed **	564	357	245	184	173
Investigations Conducted **	911	563	399	364	437
Founded	64	84	106	90	69
Unfounded	172	209	100	73	77
OEIG Hotline - Completed Calls Received ***	2920	2635	4696	8523	3616

* Discrete allegations were not counted in years prior to Fiscal Year 2007.

** Includes investigations conducted prior to referral or other disposition.

*** The number of filed complaints is less than the number of Hotline calls because many callers make general inquiries or only seek agency referral and contact information.

Open Cases Closed in Fiscal Year 2010

Overall, the OEIG issued findings in 146 investigations in Fiscal Year 2010. Some complaints were ultimately closed as being Referred or Declined following a preliminary investigation, but because inquiry was necessary, they are counted as investigations even though no finding was issued. The 146 cases closed in Fiscal Year 2010 include those complaints received during Fiscal Year 2010, as well as some continuing investigations commenced in a prior fiscal year. The OEIG determined 69 of the 146 cases were Founded and the remaining 77 cases were Unfounded. In each Founded case, a final summary report was issued to the agency involved, to the ultimate jurisdictional authority, and in some cases to outside authorities. In Founded cases, the OEIG reports included recommendations for employee discipline, agency rule/policy creation or modification, or other corrective actions.



The OEIG has been notified of the following employee disciplinary or other corrective actions resulting from its Founded investigations.

Discipline	Fiscal Year 2010
Discharged	14
Resigned	8
Suspended	23
Made Restitution	5
Reprimanded	35
Change in Agency Policy and/or Training	27
Debarment/Contract Suspension	1

Law Enforcement Referrals

In Fiscal Year 2010, the OEIG referred 129 cases to law enforcement agencies including the Illinois Attorney General, the FBI, the U.S. Attorney's Office, the Illinois State Police, county prosecutors, and various municipal and county police agencies.

Executive Ethics Commission Referrals

In Fiscal Year 2010, the Executive Inspector General referred 20 Ethics Act violation complaints to the Illinois Attorney General for review, requesting that the complaints be presented to the Executive Ethics Commission for Ethics Act violation hearings and sanctions. The Attorney General accepted 16 of those cases to bring before the Executive Ethics Commission. Charges were withdrawn in one case and in two cases, charges were dismissed. Nine cases resulted in the administration of a fine by the EEC and four cases are still pending.⁸

⁸ As of January 27, 2011.



Fiscal Year 2010 OEIG Matters Before the Executive Ethics Commission

The OEIG, the EEC, and the Illinois Attorney General's Office each play a role in the enforcement of the Illinois State Officials and Employees Ethics Act. If, at the conclusion of an investigation, the OEIG determines that a violation of the Ethics Act has occurred and it deems it appropriate to file a complaint with the EEC, the OEIG submits its report and supporting documents to the Illinois Attorney General.

If the Attorney General also determines that reasonable cause exists to believe a violation of the Ethics Act has occurred, the Attorney General files a complaint with the EEC on behalf of the OEIG. This complaint must be filed within 18 months of the violation unless there is reasonable cause to believe the subject has fraudulently concealed the violation. A copy of the complaint is served upon the subject, who then has 30 days to file an objection with the EEC. Sometime after this 30-day period has expired, the members of the EEC meet to review the sufficiency of the complaint.

If the EEC determines that the complaint sufficiently alleges a violation, it issues a notice of a hearing date, which cannot be more than four weeks after the notice is sent. At the hearing, the Attorney General (on behalf of the OEIG) and the respondent present testimony and evidence before a hearing officer appointed by the Commission, which in most cases is the Executive Director of the EEC. Each of the nine commissioners of the EEC receives a transcript of the hearing, and the EEC has 60 days from the last date of the hearing (or the date the last brief is filed) to render a decision.

The Illinois Attorney General filed 14 complaints with the Executive Ethics Commission in Fiscal Year 2010 on behalf of the OEIG. In the same timeframe, the Executive Ethics Commission published eight OEIG decisions.⁹ Below is a summary of the decisions.

***Wright v. Nix et al.* (09-EEC-001)**

On Nov. 18, 2009, the EEC issued its decision in *Wright v. Nix et al.* The EEC found three employees in the Office of the Illinois Governor violated the ban on prohibited political activities. Rebecca Rausch, the Deputy Director of Communications; Abigail Ottenhoff, Director of Communications and Sheila Nix, Deputy Governor, were accused of authoring or approving a press release written in the voice of the governor and urging support for the presidential campaign of Barack Obama. The EEC concluded the three had used state resources and state equipment in support of prohibited political activity. The EEC fined Nix and Rausch \$1,000 each and Ottenhoff \$1,500.

⁹ The eight published EEC decisions in FY 2010 were not all from the 14 OEIG cases presented in FY 2010 by the Attorney General. Some decisions regarded cases charged in prior fiscal years.



Wright v. Segura-Abernathy et al. (08-EEC-014)

On Nov. 18, 2009, the EEC issued its decision in *Wright v. Segura-Abernathy et al.* The EEC found Illinois State Police Lt. Anna Segura-Abernathy, Illinois State Police Chief of Staff Jessica Trame and Illinois State Police Director Larry Trent had violated the “Public Service Announcements” provision of the State Officials and Employees Ethics Act. The complaint was based on the radio airing of a public service announcement publicizing the State Police’s Internet Crimes Unit. The ad mentioned the name of then-Governor Rod Blagojevich, which is prohibited under the Act. The three respondents were not aware of the prohibition, cooperated in the investigation and admitted their conduct. Segura-Abernathy and Trent were fined \$500 and Trame was fined \$250.

Wright v. Williams (10-EEC-002)

On December 16, 2009, the EEC issued its decision in *Wright v. Williams*. Illinois Department of Human Services employee Sonya Williams was accused of obstructing an OEIG investigation by lying during OEIG interviews. The EEC concluded she had done so and fined her \$500.

Wright v. Thomas (09-EEC-011)

On January 20, 2010, the EEC issued its decision in *Wright v. Thomas*. Illinois Department of Children and Family Services employee Mary Thomas was accused of conducting prohibited political activity by using a state computer to forward an e-mail urging support for the presidential candidacy of Barack Obama. The EEC concluded Thomas had violated the act, but noted that the violation was “quite small in nature” and fined her \$100.

Wright v. Daniel (08-EEC-010)

On Feb. 24, 2010, the EEC issued its decision in *Wright v. Daniel*. The EEC found Illinois Department of Human Services (DHS) Chief Information Officer Robert Daniel had engaged in prohibited political activity but had not obstructed an investigation. The complaint was based on e-mails regarding a political fundraiser that Daniel received and replied to using a state computer. The EEC fined Daniel \$100.



Wright v. Holmes (10-EEC-001)

On May 19, 2010, the EEC issued its decision in *Wright v. Holmes*. Illinois Department of Human Services Associate Director of the Division of Community Health and Prevention Michael A. Holmes was accused of using state equipment to conduct prohibited political activity. The complaint was based on Holmes' sending of an e-mail, via state computer, in support of Presidential candidate Barack Obama and Cook County State's Attorney candidate Howard B. Brookins, Jr. The EEC concluded the Ethics Act had been violated and noted that only one e-mail had been sent, but concluded that an associate director of an agency "should be held to a high standard" and fined him \$250.

Wright v. Thurman (09-EEC-010)

On May 19, 2010, the EEC issued its decision in *Wright v. Thurman*. The EEC found Illinois Department of Transportation Business Services Manager Carl Thurman used state resources and equipment in support of prohibited political activity. The complaint was based on evidence that Thurman used a state computer to edit a photograph of IDOT Deputy Director Stanley Moore that ultimately appeared on Moore's website in his campaign for the Illinois legislature in 2008. The EEC concluded Thurman had violated the Ethics Act, but noted the mitigating factor that "he was encouraged to cross that line by other high-ranking employees in his office." The EEC fined Thurman \$1,000.

Wright v. Ramsey (10-EEC-005)

On June 16, 2010, the EEC issued its decision in *Wright v. Ramsey*. Illinois Department of Agriculture Meat and Poultry Inspector Raymond Ramsey was accused of violating the Gift Ban provision of the Ethics Act by soliciting a \$300, no-interest loan from an employee of the Park Packing Company, a meat-packing facility. The EEC concluded Ramsey "took extraordinary advantage of his official position" and violated the ban. It fined Ramsey \$1,500.

Copies of the full decisions in these and other OEIG cases may be found on the OEIG's website at <http://www2.illinois.gov/oeig/Pages/RecentEthicsActDecisions.aspx> and on the EEC's website: http://www2.illinois.gov/eec/Pages/disciplinary_decisions.aspx.



Fiscal Year 2010 Non-Ethics Act Reports Released by the EEC

In August 2009, the Ethics Act was amended to allow the Executive Ethics Commission to release redacted versions of OEIG reports regarding non-Ethics Act allegations that resulted in a “Founded” finding by the OEIG and resulted in discipline of at least three days or greater.¹⁰ The law also allows the subject of the report to submit a public reply. The following are summaries of those reports and replies released by the EEC in Fiscal Year 2010.

In Re: Emilio Hernandez (OEIG Case 08-00994)

On January 8, 2010, the EEC released a redacted version of an OEIG report concerning Illinois Department of Employment Security employee Emilio Hernandez. The OEIG investigation found that Hernandez had improperly contacted an IDES client outside of normal work hours. In his reply, Hernandez said he had visited the woman’s home as a convenience to the woman. The OEIG recommended Hernandez be disciplined, and the IDES agreed and began proceedings to suspend Mr. Hernandez for seven days.

In Re: David Morris (OEIG Case 08-00994)

On January 26, 2010, the EEC released a redacted version of an OEIG report concerning Illinois Department of Employment Security Revenue Analyst David Morris. The OEIG investigation found that Morris improperly received an overpayment of \$2,824 in unemployment benefits from IDES. Morris provided no public response to the report. The OEIG recommended Mr. Morris’ employment be terminated, and the IDES agreed and began termination proceedings.

In Re: Thomas Munroe (OEIG Case 08-00850)

On February 3, 2010, the EEC released a redacted version of an OEIG report concerning Illinois Department of Natural Resources Public Information Officer IV Thomas Munroe. The OEIG investigation found that Munroe’s conduct in allowing a vendor at the state fair to drive a state-owned golf cart while Munroe accepted free food from that vendor created a conflict of interest. In his response, Mr. Munroe argued that state policy allows an IDNR employee to accept nominal courtesies extended in the spirit of hospitality, and Munroe had merely let a vendor use a golf cart when it would have otherwise been idle. The OEIG recommended that Munroe be disciplined up to and including termination. The IDNR agreed and began proceedings to suspend Munroe for 15 days.

¹⁰ See 5 ILCS 430/20-52, effective August 18, 2009.



In Re: Tamara Hoffman and Barry Maram (OEIG Case 09-00294)

On February 3, 2010, the EEC released a redacted version of an OEIG report concerning Illinois Healthcare and Family Services Chief of Staff Tamara Hoffman and HFS Director Barry Maram. The OEIG investigation found that Hoffman had exhibited conduct unbecoming a state employee, abused state resources, falsified or misrepresented information on timesheets and travel vouchers, improperly disseminated information to the news media and failed to cooperate with an internal HFS investigation. The OEIG investigation also found Maram provided inadequate supervision of Hoffman. In her response, Hoffman denied all wrongdoing and contended she was being retaliated against for reporting misconduct. Maram responded that he had delayed discipline of Hoffman, in the interest of due process, until various investigations were completed. The OEIG recommended that Hoffman be terminated. HFS agreed and began termination proceedings.

In Re: Ryan McLean (OEIG Case 09-00419)

On February 25, 2010, the EEC released a redacted version of an OEIG report concerning Illinois Department of Transportation employee Ryan McLean. The OEIG investigation found that McLean had misused state property by sending numerous personal e-mails from his state e-mail account. McLean provided no public response to the report. The OEIG recommended discipline. The IDOT began proceedings to pursue a low-level suspension.

In Re: Donald Blair (OEIG Case 08-01132)

On May 28, 2010, the EEC released a redacted version of an OEIG report concerning Illinois Department of Human Services caseworker Donald Blair. The OEIG investigation found that Blair violated food stamp calculation policies, failed to cooperate with the OEIG's investigation and assisted a DHS client in defrauding the state. Blair provided no public response to the report. The OEIG recommended that Blair be discharged. DHS agreed and began employment termination proceedings.

In Re: Nicole Argue (OEIG Case 08-00962)

On May 28, 2010, the EEC released a redacted version of an OEIG report concerning Illinois Department of Human Services caseworker Nicole Argue. The OEIG investigation found that Argue used her position to access a child support case file not related to her duties and failed to cooperate with an OEIG investigation. In her response, Argue said she had not accessed the case file in question, but someone using her already logged-on computer had. The OEIG recommended Argue be disciplined. DHS agreed and suspended Argue for 30 days.

Complete versions of the EEC's publicly released reports are available at http://www2.illinois.gov/eec/Pages/EIG_Founded_Reports.aspx.



Fiscal Year 2010 Legislative Developments

The Illinois Legislature passed several bills concerning the jurisdiction and authority of the OEIG between July 1, 2009 and June 30, 2010. Ethics legislation that was passed in the summer of 2009 expanded the duties of the OEIG. Other legislative provisions clarified how the OEIG would be affected by various budget and regulatory measures.

- **Public Act 96-555:**¹¹ The governor signed Senate Bill 54 into law on August 18, 2009. The act changed ethics training requirements for state employees and strengthened “Revolving Door” requirements prohibiting certain state employees and their family members from taking jobs within one year of leaving state service with entities they regulated, licensed or to whom they awarded contracts. The OEIG oversees ethics training, makes Revolving Door determinations on whether certain current or former state employees are allowed to accept employment from non-state employers, and investigates any alleged violations. The law also allowed, for the first time, the OEIG to accept anonymous complaints and to self-initiate investigations. It further gave the OEIG responsibility for reviewing state hiring practices to ensure compliance with a federal court consent decree prohibiting politically based hiring in most state positions. The law also provided for disclosure by the Executive Ethics Commission of certain investigative reports and enhanced protection for whistleblowers.
- **Public Act 96-1426:** The governor signed House Bill 4658 into law on August 10, 2010. The OEIG and other enforcement agencies were exempted from a new law prohibiting employers from obtaining and considering credit reports in most hiring and firing situations.
- **Public Act 96-1378:** The governor signed House Bill 5007 into law as Public Act 96-1378 on July 29, 2010. This law established a “Juvenile Justice Mortality Review Team” to be convened in the event of any deaths of juveniles while in the custody of the Department of Juvenile Justice. The act requires a 12-member team to investigate all such deaths and make recommendations of preventing future death. The act specified that an employee of the OEIG shall be a team member.
- **Public Act 96-1347:** The governor signed Senate Bill 3118 into law as Public Act 96-1347 on July 28, 2010. The legislature created the Office of the Illinois Toll Highway Authority Inspector General, but specified that any allegations of State Officials and Employees Ethics Act violations in the Authority will continue to be investigated by the OEIG.
- **Public Act 96-958:** The governor signed Senate Bill 3660 into law as Public Act 96-958 on July 1, 2010. The law exempted the OEIG and certain other offices from budget reductions geared toward creating a special contingency reserve fund to deal with the state’s financial issues.

¹¹ For a more detailed description of the law, see the OEIG Fiscal Year 2009 report.



Fiscal Year 2010 – OEIG Statistical Appendices

The OEIG records its cases in an information database to facilitate statistical analysis and reporting. The tables presented in this report are extracted from this data.

The various metrics reflected in the tables below are presented in this manner for convenient viewing, and no relationship among the separate columns or tables should be presumed. For example, the tables *Appendix C - Founded Complaints by Agency* and *Appendix D - Founded Complaints by Type of Misconduct*, examine all Founded cases that were concluded during Fiscal Year 2010, regardless of the fiscal year in which a complaint was received. In contrast, *Appendix A – Allegations Received by Agency* and *Appendix B – Allegations Received by Type of Misconduct Alleged* reference only those allegations received in Fiscal Year 2010.

Note also that a “complaint” or “allegation” is simply an accusation of misconduct which may or may not have any merit. The number of complaints lodged against employees of a particular state agency should not be interpreted as having any statistical significance.

At times, single complaints can give rise to multiple allegations, some of which can be Founded or Unfounded. Therefore, the number of “Founded complaints” will always be less than the number of “Founded allegations.”



Appendix A
Allegations* Received by Agency

Agency	No. <i><u>Allegations</u></i> Received in FY 10
Aging	8
Agriculture	13
Attorney General	1
Board of Education	16
Board of Higher Education	1
Capital Development Board	3
Central Management Services	25
Chicago State University	20
Children and Family Services	69
City Colleges of Chicago **	3
Commerce and Economic Opportunity	18
Commerce Commission	5
Comptroller	2
Corrections	78
Court of Claims	1
Criminal Justice Information Authority	1
Eastern Illinois University	13
Educational Labor Relations Board	1
Emergency Management Agency	8
Employment Security	52
Environmental Protection Agency	2
Financial And Professional Regulation	18
Fire Marshal	1
Governor's Office	18
Governors State University	4
Guardianship and Advocacy Commission	3
Healthcare and Family Services (See Public Aid)	56
Healthcare and Family Services – Inspector General	2
Historic Preservation Agency	3
Housing Development Authority	3
Human Rights	20



Agency	No. <i>Allegations</i> Received in FY 10 *
Human Services	393
Human Services - Inspector General	5
Illinois State University	1
Illinois Student Assistance Commission	7
Insurance (See Financial and Professional Regulation)	2
Judicial Inquiry Board	1
Juvenile Justice	17
Labor	11
Law Enforcement Training and Standards Board	1
Military Affairs	3
Natural Resources	20
Non-State Governmental Agency	112
None Given	6
Northeastern Illinois University	7
Northern Illinois University	14
Other	2
Pollution Control Board	2
Prisoner Review Board	1
Public Administrators and Public Guardians Commission	1
Public Health	33
Racing Board	2
Revenue	22
Secretary of State	4
Southern Illinois University	14
Southern Illinois University - Carbondale	3
Southern Illinois University - Edwardsville	6
State Employees Retirement System	7
State Police	24
Toll Highway Authority	18
Transportation	106
University of Illinois	35
Unknown	7
Vendor	6
Veterans' Affairs	11



Agency	No. <u>Allegations</u> Received in FY 10 *
Western Illinois University	8
Workers' Compensation Commission	11
Total	1,391

* Note that some complaints contain more than one allegation.

** Upon enactment of HB 4189 in August 2008, the community college districts were removed from the jurisdiction of the OEIG. Accordingly, OEIG activity related to community colleges occurred prior to the enactment of HB 4189. Persons unaware of the change in jurisdiction still report to the OEIG misconduct at a community college.

**Appendix B****Allegations Received by Type of Misconduct Alleged ¹**

Category of Misconduct	FY 10 # Allegations Received
Abuse	2
Abuse of Time	93
Bid-rigging	5
Breach of Confidentiality	36
Bribery	5
Conflict of Interest	45
Corruption	1
Discrimination	15
Failure to Follow Department Policy	6
False Employment Application	2
Fraud	75
Ghost Payrolling	1
Gift Ban Violation	5
Harassment	31
Hiring Improprieties	47
Improper Political Promotion	2
Misappropriation/Misuse of Funds	20
Misconduct	502
Mismanagement	280
Misuse of Property	74
None	9
Other	8



Category of Misconduct	FY 10 # Allegations Received
Political Work on State Time	5
Procurement Fraud	2
Prohibited Political Activity	19
Retaliation	40
Revolving Door Violation	2
Sexual Harassment	1
Theft	20
Waste	14
Wrongful Termination	24
Total	1,391

¹ Allegations/Complaints received July 1, 2009 through June 30, 2010.



Appendix C

Founded Complaints by Agency ^{1 †}

Agency	FY 10 Cases Founded
Aging	1
Agriculture	1
Board of Education	1
Capital Development Board	1
Central Management Services	2
Children & Family Services	2
Commerce and Economic Opportunity	1
Corrections	1
Eastern Illinois University	1
Employment Security	2
Environmental Protection Agency	1
Healthcare and Family Services	4
Historic Preservation Agency	2
Human Services	26
Illinois Medical District	1
Illinois State University	1
Natural Resources	3
Northern Illinois University	2
Office of the State Fire Marshal	1
Public Health	3
Toll Highway Authority	1
Transportation	8
University of Illinois	1
University of Illinois at Urbana-Champaign	1
Veterans' Affairs	1
Total	69

¹ Note that complaints made against an agency employee are listed by agency, but may not involve allegations against the agency itself.

[†] This table consolidates information relating to all OEIG investigations conducted during Fiscal Year 2010, regardless of the year in which the complaint was received.

**Appendix D****Founded Complaints by Type of Misconduct**

Category of Misconduct	FY 10 Cases Founded
Misuse of Property	17
Misconduct	12
Abuse of Time	8
Fraud	8
Conflict of Interest	6
Misappropriation / Misuse of Funds	3
Prohibited Political Activity	3
Breach of Confidentiality	2
Gift Ban	2
Mismanagement	2
Bid-Rigging	1
Bribery (referred to law enforcement)	1
Improper Political Promotion	1
Retaliation	1
Theft	1
Wrongful Termination	1
Total	69



Appendix E
Monthly Activity¹²

Activity	Jul. & Aug. 2009	Sept. 2009	Oct. 2009	Nov. 2009	Dec. 2009	Jan. 2010	Feb. 2010	Mar. 2010	Apr. 2010	May 2010	Jun. 2010
Allegations Received	197	97	81	78	108	69	65	146	87	159	84
Investigations Initiated	42	15	7	9	20	19	14	27	41	17	45
Investigations Concluded	30	9	13	17	13	12	9	24	17	6	23
Investigations Pending	192 [‡]	198	192	184	191	198	203	206	231	242	264
Complaints Sent to Atty. General for EEC Action	1	0	1	2	1	0	0	2	0	2	0
Actions Pending with EEC [♦]	2	8	8	8	11	10	9	12	14	13	12
Allegations Referred to Law Enforcement	20	10	10	10	10	19	6	11	10	5	11

[‡] As of August 31, 2009

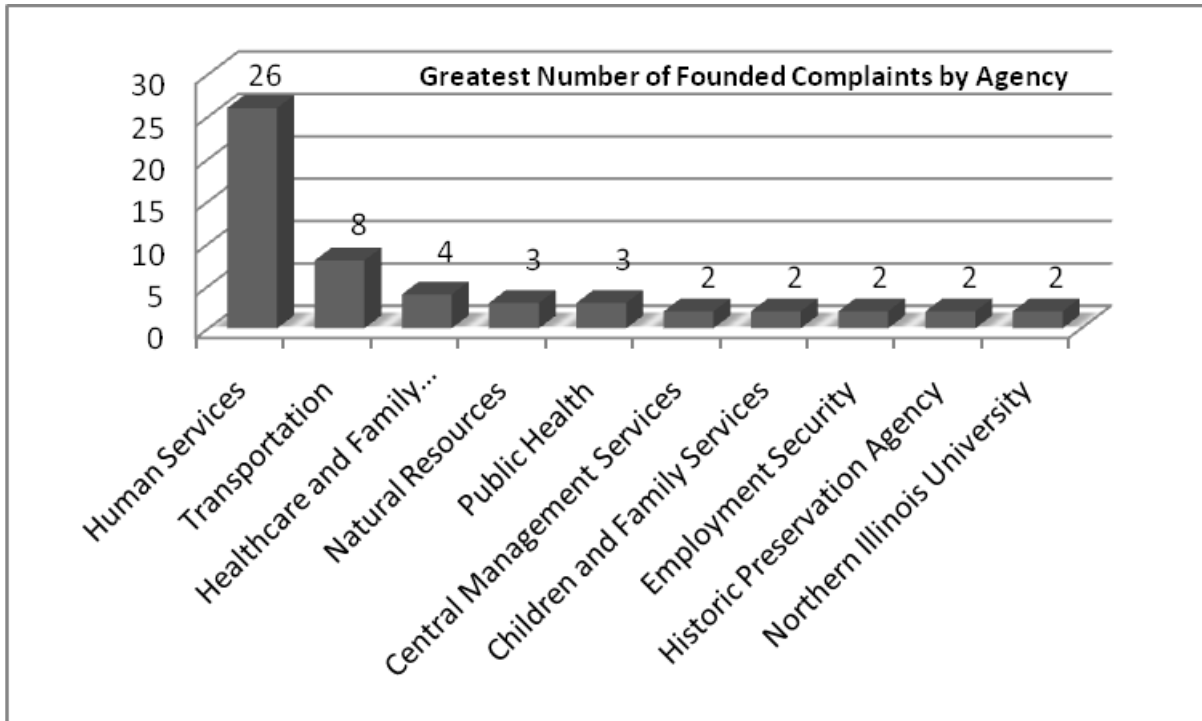
[♦] July and August, 2009 data reflect only actions filed with the EEC in that time period. Subsequent data reflects actions both filed and pending with the EEC during those months.

¹² Public Act 96-555 now requires the OEIG to submit and publish monthly reports on its website.



Appendix F

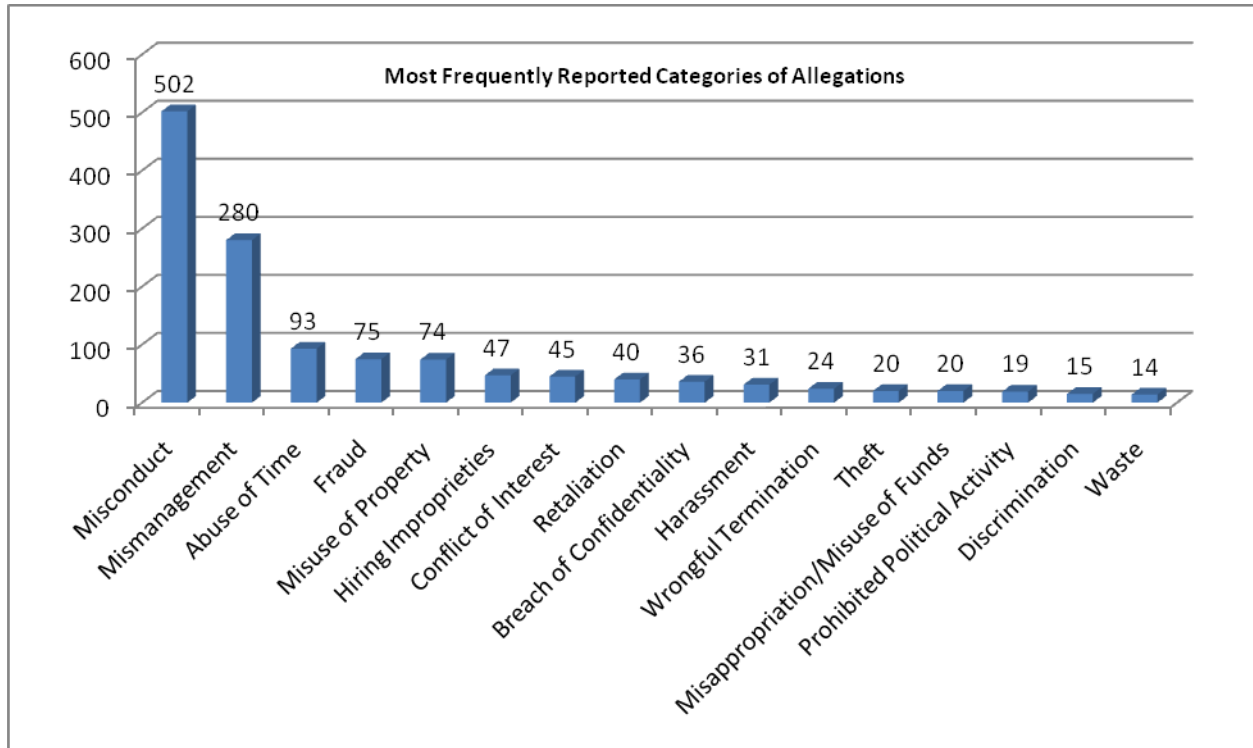
Fiscal Year 2010: Greatest Number of Founded Complaints by Agency





Appendix G

Fiscal Year 2010 Most Frequently Reported Categories of Allegations (Total Allegations: 1,391)

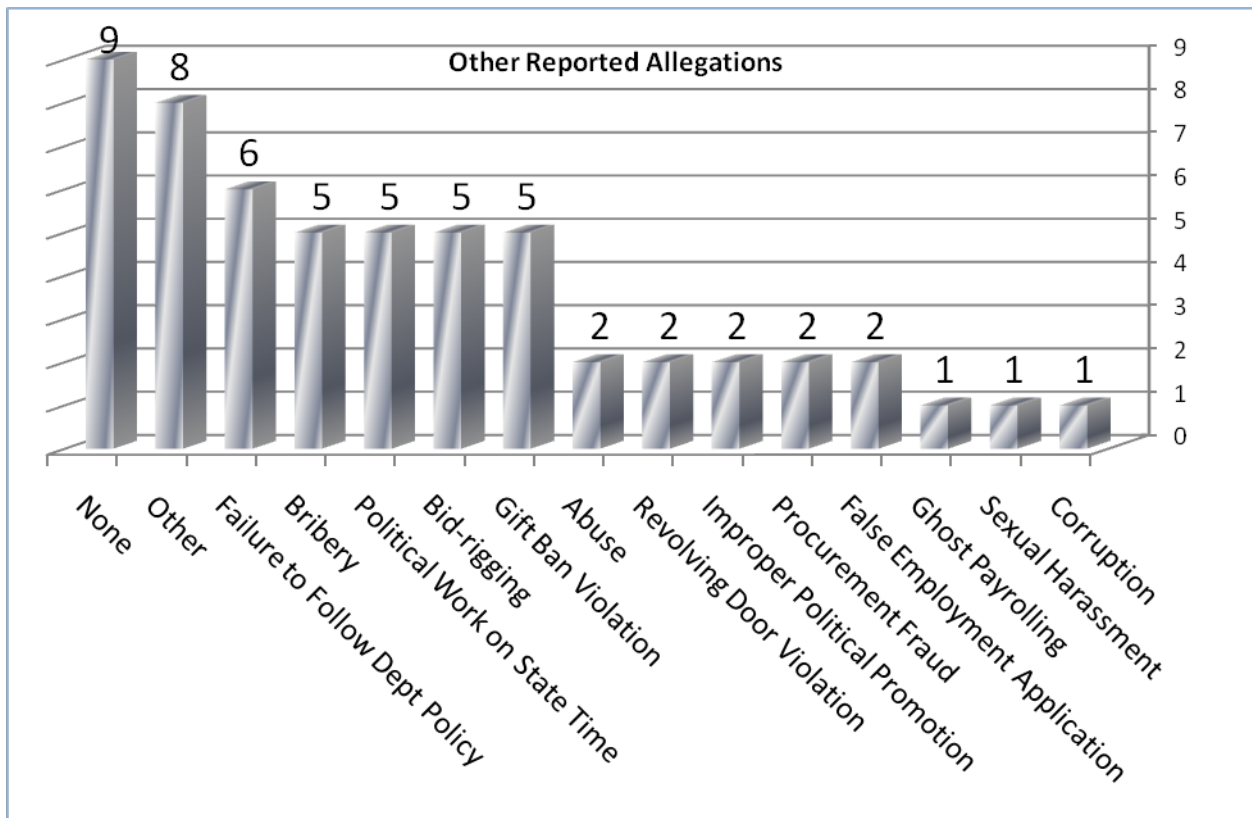




Appendix H

Fiscal Year 2010 Additional Categories of Allegations

(Total Allegations: 1,391)





Appendix I

OEIG Management Biographies¹³

Ricardo Meza, Executive Inspector General

On September 7, 2010, Illinois Governor Pat Quinn appointed Mr. Meza as Acting Executive Inspector General for the Agencies of the Illinois Governor, an independent/non-partisan Illinois state agency. The Illinois Senate confirmed the appointment November 17, 2010. Prior to his appointment, Mr. Meza was the Midwest Regional Counsel for the Mexican American Legal Defense and Educational Fund (MALDEF) in Chicago. While at MALDEF, Mr. Meza led the office's litigation and public policy matters in 10 Midwestern states, focusing on education, employment, immigrants' rights and political access/voting rights issues for Latinos. Mr. Meza also served more than 10 years as an Assistant U.S. Attorney in the United States Attorney's Office, primarily in the Chicago Office where he tried over 30 federal criminal trials. Mr. Meza began his legal career as a judicial law clerk to the late Honorable Wendell C. Radford, U.S. Magistrate Judge for the Eastern District of Texas and he also served as an Assistant Attorney General II, where he represented the State of Texas and the Comptroller of Public Accounts on tax related matters. Mr. Meza received his B.A. in Political Science from Illinois State University and obtained his law degree in 1990 from The John Marshall Law School, where he was a published author, member of the Software Law Journal, and President of the Hispanic Law Students Association. Mr. Meza is a 2007 Fellow of the Leadership Greater Chicago Program and also sits on the boards of directors for non-profit organizations. He is also the recipient of numerous awards including the 2010 Vanguard Award, the 2008 Cook County State's Attorney El Humanitario Award and is licensed to practice law in Illinois and Texas.

Sean Ginty, Chief of Staff & General Counsel

Mr. Ginty received his Bachelor of Science degree in Journalism from the University of Illinois/Urbana and his Juris Doctor degree from Chicago-Kent College of Law. He comes to the OEIG with a wealth of experience in ethics, compliance and investigations. He began his legal career as an attorney with the Attorney Registration and Disciplinary Commission where he reviewed and investigated alleged attorney misconduct. He later joined the American Bar Association as an ethics research attorney. Most recently, Mr. Ginty was a conflicts attorney for the law firm of Winston & Strawn, where he conducted conflicts of interest reviews, provided ethics training, and responded to auditor requests. His publications and presentations include: "A Split on Inadvertent Disclosure," ABA Journal eReport, Oct. 25, 2002; Speaker, ISBA Seminar on "Avoiding Malpractice in Setting Up a Business Entity," April 2004; and panelist, "Hot Tips in Disciplinary Investigations" panel at National Organization of Bar Counsel, February 1999.

¹³ As of January 20, 2011



Cole S. Kain, First Deputy Inspector General

Cole S. Kain has more than fifteen years experience investigating and litigating employee dishonesty and fraud claims involving commercial businesses and federally insured financial institutions as a partner in a Chicago law firm. An industry leader, he has authored and edited numerous publications addressing employee dishonesty and fraud. He is editor of *Annotated Commercial Crime Policy (Second Edition)*, a book published by the American Bar Association in 2006. Cole was graduated from The University of Iowa (B.A), The John Marshall Law School (J.D., *with high distinction*) and New York University School of Law (LL. M.). He is a former law clerk to the late Honorable Dominick L. DiCarlo, Chief Judge, United States Court of International Trade.

James J. Bonk, Director of Investigations

Mr. Bonk joined the OEIG as Director of Investigations in July 2008 with responsibilities for investigative operations, policies and procedures. Mr. Bonk has over 30 years of public and private sector experience in investigations, leadership, and operations. Mr. Bonk's background as a strategic leader with a proven track record in the insurance fraud industry, coupled with his strong investigative knowledge and experience, operational skills and business acumen, brings extraordinary value to the OEIG investigative operations. He began his career in law enforcement for two Chicago suburban police departments and received numerous commendations and citations for work relating to several high-profile criminal matters. He then joined CNA Insurance Companies where he led their nationwide Special Investigations Unit focused on the identification, investigation and prosecution of multi-line insurance fraud. Mr. Bonk rose to the position of assistant vice president at CNA. He previously was an active board member with the Coalition Against Insurance Fraud, Washington, D.C., where he held positions of treasurer and co-chair. He graduated from National-Louis University with a Bachelor of Arts Degree in Applied Behavioral Science. Mr. Bonk is also a Director of the Association of Inspectors General, Illinois Chapter.

Rochelle M. Hardy, Chief Financial & Compliance Officer

Rochelle M. Hardy has 31 years of experience in management, accounting, finance, information technology and professional development of staff in both government and the private sector. Ms. Hardy brings a unique and valuable perspective to the OEIG. She was previously employed by the State of Illinois, first serving as the Chief Fiscal Officer and then as the Deputy Director of Administration for the Illinois State Police. As Deputy Director of Administration, Ms. Hardy created the pilot Shared Service Public Safety Center, consolidating seven public safety agencies, and providing fiscal and HR business process redesign for statewide systems. Also, she created the Kenosha County data center and worked for six years as the Director of Information Systems for County of Kenosha (WI). Prior to joining state government, Ms. Hardy held various positions in the private sector including manager of accounting, senior accountant/controller, and manager of consulting services. She received her Bachelor of Science degree in business administration with a concentration in accounting from Roosevelt University and her Master of Business Administration degree from Keller Graduate School of Business, with concentrations in information technology and finance. She is an active member of the National Association of Black Accountants and the National Black MBA Association.



David E. Keahl, Director of Ethics Training & Compliance

Mr. Keahl is responsible for the establishment of standards for and oversight of ethics training for the officials, employees, and appointees of the state agencies, departments, boards, commissions, and state public universities under the OEIG's jurisdiction as required by the State Officials and Employees Ethics Act. Prior to joining the OEIG, Mr. Keahl worked in the telecommunications industry for 27 years. There he directed activities related to corporate planning, accounting, finance, regulatory affairs, engineering and human resources, and has considerable experience in managing matters related to organizational governance, internal controls, and legal/regulatory compliance. Mr. Keahl is a graduate of the University of Michigan.

Wendy L. Washington, Director of Human Resources

Ms. Washington has over 27 years of state government experience in various administrative and human resource positions. She joined the OEIG in July 2003 shortly after the agency was created and was instrumental in establishing the agency. Ms. Washington currently serves as the Director of Human Resources with responsibility for all personnel related matters including but not limited to, employee relations, recruitment, payroll and group insurance. Ms. Washington also serves as the Equal Employment Opportunity/Affirmative Action Officer for the OEIG and is a former board member of the Illinois Affirmative Action Officers Association. She received her Bachelor of Arts degree from DePaul University in Business Administration with a concentration in Human Resources, is a member of the Society for Human Resource Management (SHRM) and maintains her certification as a Professional in Human Resources (PHR).

Neil P. Olson, Deputy Director and Chief of the Springfield Division

Mr. Olson joined the OEIG in February 2010 after spending the majority of his legal career working for the Commonwealth of Massachusetts. He was formerly an Assistant Attorney General in the Massachusetts Attorney General's Office, where he represented state agencies in federal and state court litigation. He received the office's Francis X. Belotti Award for Excellence in 2007. Mr. Olson also served as a staff attorney at the Massachusetts Commission on Judicial Conduct, where he investigated and prosecuted cases of judicial misconduct. In addition to his state government experience, Mr. Olson was a litigator at Choate, Hall & Stewart in Boston, and specialized in labor and employment law. Mr. Olson began his legal career as the law clerk to the Honorable Kenneth Laurence of the Massachusetts Appeals Court. He is a graduate of Grinnell College and Northeastern University School of Law, and is licensed to practice law in Massachusetts and Illinois.



Appendix J

Illinois Freedom of Information Act

Information about the Office of Executive Inspector General for the Agencies of the Illinois Governor

FOIA Applicability:

Under the Ethics Act, the OEIG must keep confidential the identity of a person acting as a source of an allegation (the complainant) and documents revealing it are exempt from the Freedom of Information Act. (Sec. 20-90(a).) Similarly, the Act exempts any allegations and related documents submitted to the OEIG, all investigatory files and reports of the OEIG. (Sec. 20-95(b-d).)

OEIG Operating Budget for Fiscal Year 2010: \$6,931,315.00

OEIG Offices:

32 W. Randolph, Suite 1900
Chicago, IL 60601-3414

607 E. Adams, 14th Floor
Springfield, IL 62701-1634

Number of OEIG Employees:

Sixty-four full-time employees and no part-time employees as of June 30, 2010.

State Agency with Limited Oversight Role over the OEIG:

The Executive Ethics Commission

OEIG FOIA Officer:

Sean Ginty
Chief of Staff and General Counsel
OEIG
32 W. Randolph, Suite 1900
Chicago, IL 60601-3414

Photocopy costs for FOIA requests:

First 50 black-and-white copies are at no charge; fifteen cents per page for each additional page.



Links

State Officials and Employees Ethics Act (5 ILCS 430, *et seq.*)

<http://www.ilga.gov/legislation/ilcs/ilcs5.asp?ActID=2529&ChapterID=2>

OEIG Quarterly Reports

http://www2.illinois.gov/oeig/Pages/quarterly_reports.aspx

OEIG Monthly Reports

http://www2.illinois.gov/oeig/Pages/monthly_reports.aspx

Executive Ethics Commission Revolving Door Decisions

<http://www2.illinois.gov/eec/Pages/RevolvingDoorAppeals.aspx>

Executive Ethics Commission Disciplinary Decisions

http://www2.illinois.gov/eec/Pages/disciplinary_decisions.aspx

Quarterly Reports from all Ethics Act OEIGs

<http://www2.illinois.gov/eec/Pages/qreport.aspx>

Fifty copies of this annual report were reproduced for physical distribution on digital color printers by the Illinois Department of Central Management Services under the authority of the State of Illinois. The printing cost per copy was \$3.42.

A copy of this report can be downloaded from:

http://www2.illinois.gov/oeig/Pages/annual_reports.aspx.



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