

2013

ANNUAL REPORT



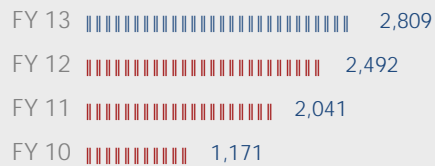
OFFICE OF EXECUTIVE INSPECTOR GENERAL
FOR THE AGENCIES OF THE ILLINOIS GOVERNOR

www.inspectorgeneral.illinois.gov

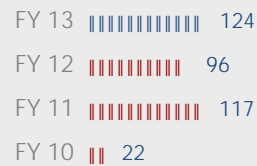
► Results at a Glance

▲ work volumes

Number of Complaints Received

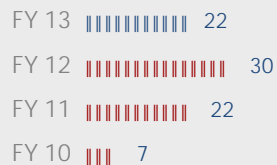


Number of Revolving Door Determinations



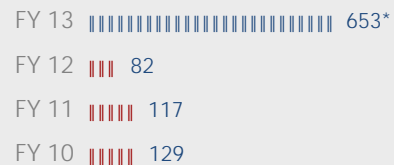
▲ public disclosure

Number of Publicly Disclosed Reports



▲ law enforcement referrals

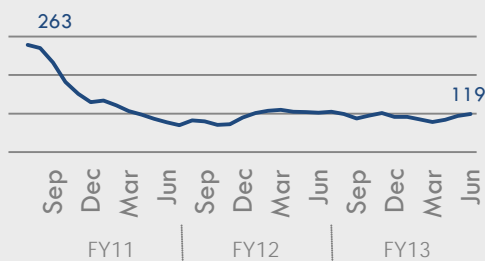
Number of Law Enforcement Referrals



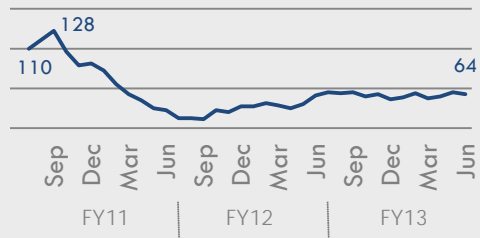
*Includes referrals to other inspectors general

▲ pending investigations

Number of Pending Investigations



Number of Investigations Pending 6 Months or More



► Executive Inspector General's Message



August 29, 2013

It is my privilege to report to you regarding the activities of this office and its employees for the period of July 1, 2012 to June 30, 2013, which constitutes the state's 2013 fiscal year. I am pleased to tell you that by several measures, we have grown in both our efficiency and effectiveness. Most importantly, we have completed investigations and issued recommendations that have resulted in meaningful improvement in the state's ethical climate, including, but not limited to, positive changes to several state agency policies or practices, the recovery of fraudulently obtained or provided state funds, and the

discharge from state service or criminal prosecution of several employees we found had engaged in serious misconduct.

Examples of actions taken in relation to matters that we have investigated include:

- A former DHS counselor who fraudulently approved state-provided financial benefits for her own relatives is no longer on the state payroll. Facts revealed by our investigation were turned over to prosecutors who obtained convictions on five criminal counts against this former state employee.
- The state no longer employs a former associate director at the Department of Human Services who saw nothing wrong with spending significant time during his state work day attending to his secondary employment duties as mayor of Riverdale, Illinois.
- A former Executive Ethics Commission member was fined \$2,500 because, during his tenure as a commissioner, he violated the State Officials and Employees Ethics Act, a law which he was entrusted to enforce.

We highly value the funds appropriated to us and therefore, we continue to focus our resources on investigations that are: complex and involve significant wrongdoing; have potential to influence the future conduct of state employees; expose systematic or widespread misconduct; involve abuse of authority or resources; or reveal violations of the Ethics Act.

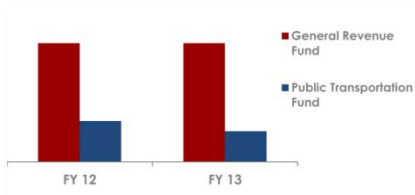
During FY 2013, we launched two new initiatives. In December 2012, we established a Grant Review Initiative Team, or "GRIT" for short, for the specific purpose of investigating potential misuse or abuse of state grants. More recently, we developed and distributed new fraud reporting posters to be publicly displayed by entities under our jurisdiction to further encourage the reporting of potential misconduct.

We pledge to perform our work objectively, thoroughly, and as promptly as possible. As in the past, we support the lawful public disclosure of our investigative reports when they reveal misconduct by individuals or entities under our jurisdiction. We believe that shining light on such matters promotes ethical conduct, and discourages future misdeeds by public employees, officials, and those doing business with them, who might otherwise believe their misconduct will go undetected and undisclosed.

A handwritten signature in blue ink, reading "Ricardo Meza".

Ricardo Meza
Executive Inspector General

► Contents



I. Introduction

- 5 Jurisdiction
- 5 Mission
- 5 Leadership
- 6 Organization and Programs at a Glance

II. Financial Performance

- 10 Source of Funds
- 10 Financial Results
- 11 Use of Funds
- 11 Budgeting for Results
- 13 Internal Controls

III. Initiatives

- 14 Increase Transparency in Government
- 16 Conduct Investigations on a Timely Basis
- 17 Function as Executive Inspector General for the Regional Transit Boards
- 18 Maintain Operational Excellence
- 19 Promote Ethical Awareness
- 22 Establish the Grant Review Initiative Team

IV. Investigative Activities

- 23 Overview
- 23 Process and Performance
- 25 OEIG Recommendations
- 26 Agency Responses to OEIG Recommendations

V. OEIG Reports, Revolving Door Matters, EEC Decisions, and Legislative Action

- 28 Publicly Disclosed Investigative Reports
- 38 Revolving Door Appeals
- 40 Revolving Door Court Decision
- 41 EEC Disciplinary Decisions
- 42 Legislative Action

45 Appendices

► I. Introduction

The Office of Executive Inspector General for the Agencies of the Illinois Governor (OEIG) was created in December 2003 when the legislature enacted the State Officials and Employees Ethics Act. The OEIG investigates allegations of fraud, waste, abuse, mismanagement, misconduct, nonfeasance, misfeasance, malfeasance, or violations of the Ethics Act. The OEIG also investigates violations of other related laws and rules involving public employees, appointees, officials, and others doing business with entities under the OEIG's jurisdiction.

JURISDICTION

The OEIG's jurisdiction includes the governor; the lieutenant governor; more than 300 executive branch state agencies, departments, and boards; the nine state public universities; and the four northeastern Illinois regional public transit entities (the Regional Transportation Authority, the Chicago Transit Authority, Metra, and Pace) comprising approximately 175,000 public employees, appointees, and officials.

MISSION

The OEIG is an independent executive branch state agency, which ensures accountability in state government, the state public universities, and the four regional transit boards. The OEIG's primary function is to investigate allegations of misconduct and to report its findings and recommendations to affected public agencies and officials.

LEADERSHIP

Under the direction of the Executive Inspector General, the OEIG's senior staff consists of:

- Cole S. Kain - Chief of Staff and General Counsel
- Susan Haling - Special Counsel
- Daniel Hurtado - Special Counsel
- Erin K. Bonales - Deputy Inspector General and Chief of Chicago Division
- Neil P. Olson - Deputy Inspector General and Chief of Springfield Division (Laura K. Bautista effective July 22, 2013)
- Fallon Opperman - Deputy Inspector General and Chief of Regional Transit Board Division
- Rochelle Hardy - Chief Financial and Compliance Officer
- David E. Keahl - Director of Ethics Training and Compliance
- Wendy Washington - Director of Human Resources

ORGANIZATION AND PROGRAMS AT A GLANCE



The OEIG's four primary programs are (1) investigations, (2) revolving door determinations, (3) hiring monitoring, and (4) ethics training and compliance. To enable efficient and timely investigations throughout the state, the OEIG maintains offices in Chicago and Springfield. Its staff of 78 employees includes deputy and assistant inspectors general, each of whom is licensed to practice law in Illinois. The OEIG also employs investigators, many of whom have local, state, and federal law enforcement experience and others who have worked for the U.S. Postal Inspection Service, the Office of Inspector General for the U.S. Department of Health and Human Services, the U.S. Department of State, the Internal Revenue Service, and major corporations. Staff also include computer forensic examiners, paralegals, accountants, information technology experts, and other professionals and support personnel.

The OEIG's organization comprises Chicago, Springfield, and regional transit board investigative divisions, as well as human resources, finance, and ethics training and compliance divisions. The regional transit board investigative division is dedicated to investigating matters relating to the RTA, the CTA, Metra and Pace, and is funded by the Public Transportation Fund. All other OEIG functions and staff are funded by the General Revenue Fund.

1. Investigations

"The Executive Inspector General appointed by the Governor shall have jurisdiction over (i) the Governor, (ii) the Lieutenant Governor, (iii) all officers and employees of, and vendors and others doing business with, executive branch State agencies under the jurisdiction of the Executive Ethics Commission and not within the jurisdiction of the Attorney General, the Secretary of State, the Comptroller, or the Treasurer, and (iv) all board members and employees of the Regional Transit Boards and all vendors and others doing business with the Regional Transit Boards.

The jurisdiction of each Executive Inspector General is to investigate allegations of fraud, waste, abuse, mismanagement, misconduct, nonfeasance, misfeasance, malfeasance, or violations of this Act or violations of other related laws and rules."

– State Officials and Employees Ethics Act, 5 ILCS 430/20-10(c)

As an investigative agency, the OEIG detects, identifies, and eliminates waste, fraud, misconduct, mismanagement, and malfeasance. The OEIG receives complaints:

- via its toll-free telephone hotline;
- by U.S. mail;
- online via its website;
- by facsimile machine;
- by telecommunications device for the disabled; or
- in person at its Springfield or Chicago office.

The OEIG accepts complaints submitted anonymously. The OEIG may also initiate investigations of its own accord. In all instances, the identities of those who submit complaints are confidential and the OEIG takes every measure permissible under the law to ensure that complainants' identities remain confidential.

To acquire information, investigators interview witnesses, collect 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 may also use its subpoena power to acquire information that is relevant to an investigation. Investigations are conducted in accordance with the OEIG's Investigation Policy and Procedures Manual, the Illinois Administrative Code, and all other applicable laws, rules, policies, and regulations.

In FY 2013, the OEIG completed 126 investigations.

2. Revolving Door Determinations

"Within 10 calendar days after receiving notification from an employee in a position subject to the policies required by subsection (c), such Inspector General shall make a determination as to whether the State employee is restricted from accepting such employment ..."

– State Officials and Employees Ethics Act, 5 ILCS 430/5-45(f)

Under certain circumstances, the OEIG is obligated to determine whether public employees, appointees, and officials are restricted from accepting employment or compensation offers upon leaving public employment. Generally, the Ethics Act's revolving door restrictions are intended to prevent public employees who participate in contracting, licensing, or regulatory decisions from leaving their public positions to immediately accept employment from an entity affected by those decisions.

In FY 2013, the OEIG made 124 revolving door determinations.

"Although Illinois courts have yet to opine on revolving door matters... a New York court noted that '[i]n general, the purpose of revolving door provisions ... is to prevent former government employees from unfairly profiting from or otherwise trading upon contracts, associations and special knowledge that they acquired during their tenure as public servants.'" – Ricardo Meza

3. Hiring Monitoring

"... each Executive Inspector General shall ... review hiring and employment files of each State agency within the Executive Inspector General's jurisdiction to ensure compliance with Rutan v. Republican Party of Illinois, 497 U.S. 62 (1990), and with all applicable employment laws."

– State Officials and Employees Ethics Act, 5 ILCS 430/20-20

The OEIG is responsible for reviewing hiring and employment files of each state agency under its jurisdiction to ensure compliance with *Rutan v. Republican Party of Illinois*, 497 U.S. 62 (1990) and all applicable employment laws. This program's objective is to ensure that public entity hiring practices are fair and that employment decisions for other than policy positions are merit-based.

In FY 2013, the OEIG conducted 16 employment-related investigations.

4. Ethics Training and Compliance

"... ethics training programs shall be overseen by the appropriate Ethics Commission and Inspector General appointed pursuant to this Act in consultation with the Office of the Attorney General."

– State Officials and Employees Ethics Act, 5 ILCS 430/5-10(a)

"Each Inspector General shall set standards and determine the hours and frequency of training necessary for each position or category of positions."

– State Officials and Employees Ethics Act, 5 ILCS 430/5-10(c)

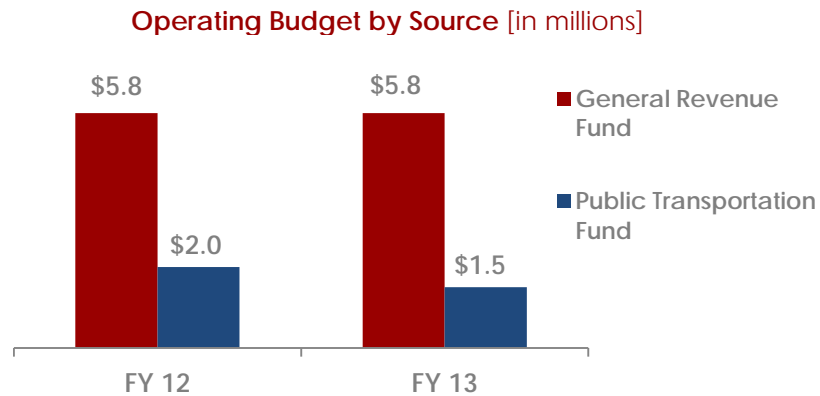
The Ethics Act requires individuals under the OEIG's jurisdiction to complete ethics training. Specifically, the Ethics Act requires:

- employees, appointees, and officials to complete ethics training at least annually; and
- new employees, appointees, and officials to complete initial ethics training within 30 days of the commencement of their employment or office.

In FY 2013, the OEIG oversaw approximately 185,000 ethics training course sessions.

► II. Financial Performance

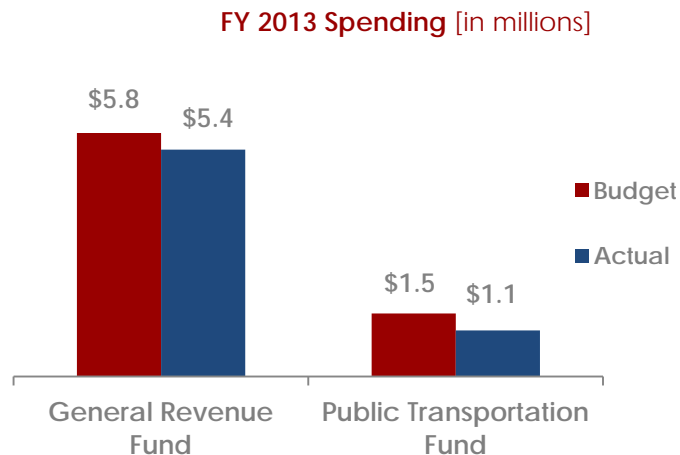
SOURCE OF FUNDS



In FY 2013, the Illinois General Assembly appropriated a total of \$7.3 million in funding for the OEIG. Of that amount, \$5.8 million was appropriated from the General Revenue Fund (GRF). GRF funding was unchanged from FY 2012 to FY 2013.

The General Assembly also appropriated to the OEIG \$1.5 million in funding from the Public Transportation Fund (PTF) to support the OEIG's investigation of matters pertaining to the Regional Transportation Authority, the Chicago Transit Authority, Metra, and Pace. The OEIG requested PTF funding that was \$.5 million less in FY 2013 than in FY 2012.

FINANCIAL RESULTS



Actual annual operating expenses fell short of amounts allocated to the OEIG from the General Revenue Fund and Public Transportation Fund, primarily relating to hiring lag for positions that were unfilled during the OEIG's search for qualified candidates.

USE OF FUNDS

Salary-related expenses account for most (82%) of the OEIG's operating expenditures. Costs for office space, payroll charge-backs, and charges for the OEIG's Internet-based ethics training learning management system account for the bulk of the OEIG's other expenses.

Total Operating Expenses

[in thousands]

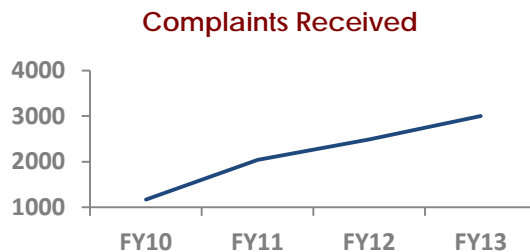
	FY 12	FY 13
Personnel	\$4,527	\$5,387
Leases, Vendors, and CMS Charge-Backs	841	910
Telecommunications	98	128
Printing and Office Supplies	35	51
Travel and Conferences	37	36
Office Equipment	12	14
Automotive Repairs and Fuel	28	11
Other	6	3
Total	5,584	6,540

BUDGETING FOR RESULTS

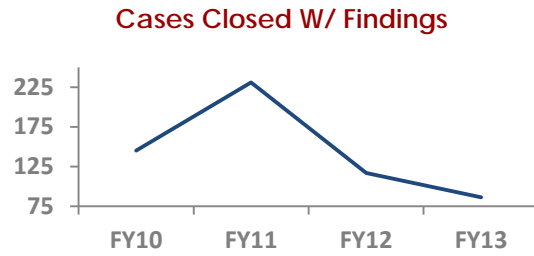
Key performance indicators, which are related to the OEIG's operating expenditures include:

Performance Indicator	FY 10	FY 11	FY 12	FY 13
<i>Investigations –</i>				
▪ Complaints Received	1,171	2,041	2,492	2,809
▪ Cases Closed w/Findings	145	231	117	86
▪ Publicly Disclosed Reports	7	22	30	22
▪ Investigations Pending	264	102	122	119
▪ Investigations Pending ≥ 6 mos.	101	48	63	64
<i>Hiring Monitoring – Investigations</i>	47	36	34	16
<i>Revolving Door – Determinations</i>	24	117	96	124
<i>Ethics Training – Course Sessions</i>	164,548	163,075	195,395	185,534

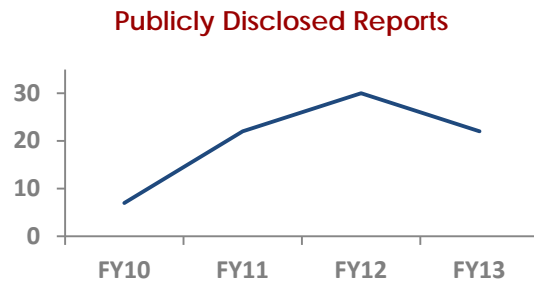
the number of complaints of misconduct reported annually to the OEIG more than doubled from 1,171 in FY 2010 to 2,809 in FY 2013



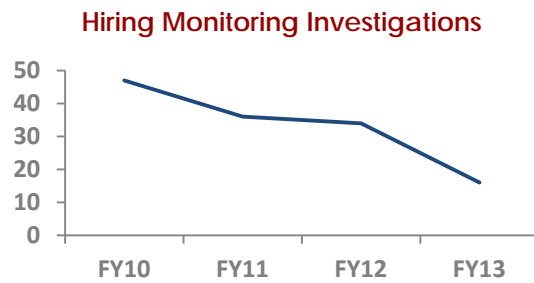
the annual number of cases closed with findings has declined since FY 2011



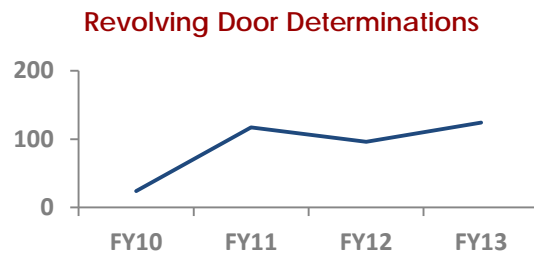
more than 20 investigative reports have been publicly disclosed each year since FY 2011



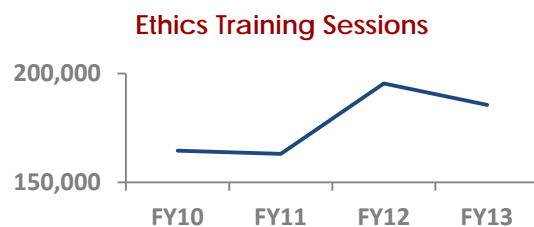
the number of hiring monitoring investigations conducted annually has declined in recent years



the number of revolving door determinations made annually has grown since the implementation of the "post-state employment" restrictions and notification requirements



the OEIG provided oversight to approximately 185,000 initial or annual employee ethics training sessions during FY 2013



Other indicators of the OEIG's performance include:

- fines levied by the Executive Ethics Commission against subjects of OEIG investigations increased more than 160% from FY 2012 to FY 2013;
- subjects of OEIG investigations against whom findings of misconduct are made often elect to resign their state employment;
- news media often provide coverage of publicly disclosed OEIG investigative reports;
- eighty-five percent of employees who provide survey feedback after completing OEIG annual ethics training indicate they will use what they learned from the training on their state jobs;
- relatively few employees fail to complete annual ethics training on a timely basis;
- OEIG investigative reports have reduced the state's business risk by exposing "bad" actors;
- OEIG investigations have in multiple instances stopped employee fraud, misuse of state property, or the issuance of state grants without proper oversight;
- OEIG investigations have uncovered hiring misconduct and resulted in changes to agency employment policy; and
- a majority of FY 2013 OEIG revolving door determinations that were appealed to the Executive Ethics Commission were ultimately affirmed.

INTERNAL CONTROLS

"We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

There were no immaterial findings that have been excluded from this report."

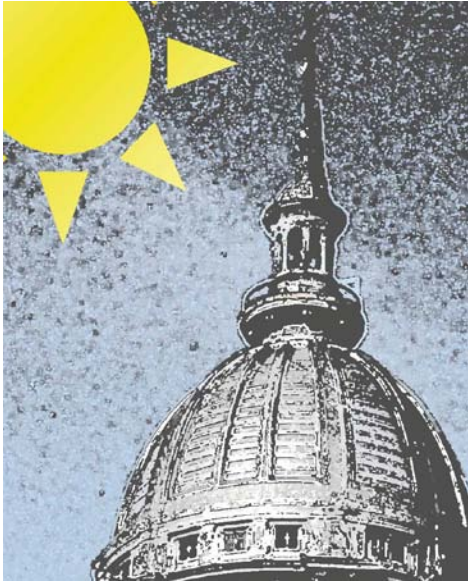
– Illinois Auditor General's July 23, 2012 Compliance Examination of OEIG for the Period Ending June 30, 2011

All OEIG employees adhere to applicable laws and rules including, but not limited to, the State Officials and Employees Ethics Act, the Illinois Administrative Code, and the OEIG Operations Manual.

Furthermore, the OEIG makes every effort to effectively and efficiently use the state's scarce financial resources and it does so in compliance with applicable laws and rules. Specifically, the OEIG conforms to the state uniform accounting system and ensures that it obligates and expends public funds appropriated to it in accordance with applicable rules.

► III. Initiatives

INCREASE TRANSPARENCY IN GOVERNMENT



"[Former assistant secretary of the Illinois Department of Transportation David] Phelps unsuccessfully fought the public release of the investigation into his conduct, which was not required under state law. He points out he was never formally charged by the state ethics commission or attorney general, but the commission printed the report anyway.

'It was in the public interest to know of this misconduct, because it was part of a larger investigation,' [former OEIG Deputy Inspector General and Chief of Springfield Division Neil Olson] explained, 'Even if it didn't fall neatly within the mandatory publication, we felt it was still of public interest.'"

– "Former IDOT Assistant Responds to State Investigation," WSILTV.com, May 2, 2013

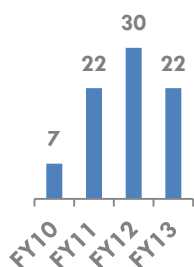
Only after the State Officials and Employees Ethics Act was amended in 2009 has public disclosure of certain OEIG investigations been permitted. That change to the law made **eligible** for public disclosure investigative reports wherein it is determined that reasonable cause exists to believe a violation of law, rule, policy, or regulation has occurred.

Public disclosure of OEIG reports is **mandated only in instances** where a public employee receives discipline resulting in termination of employment or suspension of three or more days.

Public disclosure is **not mandated** even where misconduct is found to have occurred but the public employee's employing agency does not terminate the individual or suspend him or her for at least three days.

Only the Executive Ethics Commission has authority to determine whether to publicly disclose an executive inspector general's report in instances where a report's disclosure is **not mandated**.

Number of Publicly Disclosed Investigative Reports



The OEIG supports the public disclosure of its investigative findings and has proactively sought changes to the law to allow for disclosure of additional reports.

News media continue to play an important role in increasing public awareness of matters related to integrity and ethics in governmental entities. In FY 2013, articles, opinions, or other forms of news stories related to OEIG investigations were provided by, among others:

WSILTV (Carterville, IL)
State Journal Register
Quad-City Times
Chicago Tribune

Journal Gazette & Times-Courier
Chicago Sun-Times
Riverbender.com
Quad-Cities Online

WBEZ.org
St. Louis Post-Dispatch
Northwest Herald
VÍVELOHOY

Examples of media coverage related to OEIG investigations include:

"A gospel singing former congressman from southern Illinois violated state ethics rules by interfering in hiring and contracting during his tenure as a top official with the state's transportation agency ... The Illinois Office of Executive Inspector General found that David Phelps, a Democrat from Harrisburg, should be banned from working in state government because of his behavior as an assistant director of the Illinois Department of Transportation from 2003 to 2011 ... In a Jan. 18 letter to the inspector general's office, Phelps' attorney argued that the former congressman's name should be redacted from the report because he resigned and was not disciplined in connection with the allegations.

'(It) would be unfair, prejudicial and unjustifiably harmful to the reputation of Mr. Phelps to publish any of these allegations against him,' attorney Robert Uhe wrote ..."

– "Former Illinois congressman cited in ethics probe," *Quad-City Times*, April 15, 2013

"One of Gov. Pat Quinn's agencies violated hiring laws by failing to review job applicants' credentials, improperly viewing candidates' names and, in one case, hiring an employee's husband after improper intervention by the employee, according to a report released Friday ... Executive Inspector General Ricardo Meza's report found 10 abuses of hiring rules involving four current and past employees ... finding that no one at DCEO 'is conducting even a cursory review of the qualifications of appointees to determine whether they meet the minimum requirements.'"

– "Inspector: Hiring law broken at state agency," *SJ-R.com*, November 16, 2012

CONDUCT INVESTIGATIONS ON A TIMELY BASIS

Since FY 2011, the OEIG has made the timely completion of investigations one of its primary initiatives. Although, by nature of their complexity or other factors, certain cases may require lengthy investigations, the OEIG makes every effort to conclude its work as quickly as possible while ensuring its investigations are fair, objective, and thorough.

OEIG operating metrics reflect the success of those efforts, including a sustained reduction in the number of pending investigations as well as a sustained reduction in the number of investigations requiring more than six months to complete.

The number of pending investigations and the number of investigations pending for 6 months or more have been reduced and stabilized since FY 2010.

Number Investigations Pending at End of Year

	FY 10	FY 11	FY 12	FY 13
Pending Investigations	264	102	122	119
Investigations Pending ≥ 6 Months	101	48	63	64

FUNCTION AS EXECUTIVE INSPECTOR GENERAL FOR THE REGIONAL TRANSIT BOARDS



The OEIG has exclusive jurisdiction to investigate alleged violations of the Ethics Act and at its discretion, may investigate other complaints or allegations of misconduct involving the transit boards. A regional transit board may appoint or employ an inspector general; however, that inspector general is required to provide monthly activity reports to the OEIG, and the OEIG may assume responsibility for any investigation from a transit board inspector general.

Beginning in December 2011, the General Assembly appropriated money from the Public Transportation Fund for the OEIG's transit board-related duties. Because these funds may only be used for matters related to public transportation, the OEIG established a Regional Transit Board (RTB) Investigative Division, solely devoted to investigating allegations of fraud, waste, and abuse involving a regional transit board. Led by a deputy inspector general/division chief and deputy chief, the division includes additional assistant inspectors general and investigators who have over 40 years of combined investigative experience.

During FY 2013, the RTB Investigative Division:

- reviewed and analyzed 404 complaints;
- opened 35 investigations;
- closed 35 investigations; and
- had 22 investigations pending at year end.



MAINTAIN OPERATIONAL EXCELLENCE

Continuing education and training are key components of the OEIG's initiative to maintain efficiency and effectiveness. Training of all new employees, regardless of their previous education and experience, begins on their first day and includes, but is not limited to, lessons regarding applicable laws, administrative rules, and policies and procedures.

Investigative staff members, in particular, receive continuous instruction concerning laws and policies, as well as investigative tools and techniques. During FY 2013, employees attended various professional training sessions relevant to their individual jobs, which addressed topics such as:

- forensic examinations;
- the state personnel code;
- techniques of interviewing and interrogation;
- supervisory management;
- *Rutan* employment interviews;
- internal investigations;
- state grants;
- human resource information systems;
- public corruption investigations;
- government fraud audits;
- project management methodology;
- disadvantaged business enterprises;
- audit techniques;
- advanced customer service skills;
- creative problem solving;
- information technology services management;
- Microsoft Excel;
- Microsoft Windows servers; and
- certified inspector general investigations.

PROMOTE ETHICAL AWARENESS

The OEIG makes every effort to promote ethical awareness and ethical conduct in state government through various channels of communications, including the OEIG's enhanced website, monthly electronic newsletter, fraud reporting posters, internship program, and numerous outreach efforts.

► Ethics Officers

The OEIG routinely invites newly designated ethics officers to meet with OEIG staff in order to explain the OEIG's responsibilities, provide oversight to ethics officers' involvement in the administration of state employee ethics training, and answer ethics officers' questions. OEIG staff held more than 20 outreach sessions with ethics officers who were newly appointed during FY 2013.

► General Outreach Efforts

To improve transparency and promote awareness of the OEIG's functions, OEIG staff members participate in a number of outreach activities. During FY 2013, OEIG employees:

- addressed the Hispanic Illinois State Law Enforcement Association;
- addressed the Illinois Government Bar Association;
- participated in national and local meetings of the Association of Inspectors General;
- spoke at The John Marshall Law School;
- met with editorial boards of various newspapers;
- met with senior managers of various state agencies and state public universities;
- met with members and staff of the General Assembly; and
- submitted letters or issued statements to news media regarding matters of public interest.

► Continuing Legal Education and Other Presentations

OEIG employees participated in various continuing legal education and other presentations:

Continuing Legal Education

- *Confidentiality, Security, Conflicts of Interest*, September 2012, for the Illinois Workers' Compensation Commission Judicial Training Program
- *Revolving Door Prohibitions*, March 2013, before the Illinois Executive Ethics Commission 2013 Ethics Officer Conference

Other Presentations

- *Introducing the Office of Executive Inspector General for the Agencies of the Illinois Governor*, September 2012, for the Northwestern University Public Policy and Administration graduate program
- *OEIG Investigative Priorities and Initiatives*, October 2012, for the State Internal Audit Advisory Board Conference
- *Gift Ban, Duty to Report Misconduct, and Duty to Cooperate in OEIG Investigations*, January 2013, for the Illinois Department of Human Rights

► Electronic Newsletter

The OEIG produces a one-page electronic newsletter, *Illinois Ethics Matters*, which is distributed monthly, and occasionally as a special edition. The newsletter reaches approximately 800 individuals directly and is in many instances further disseminated by its direct recipients to others.

Newsletters address publicly disclosed investigative reports, public findings related to alleged violations of the Ethics Act, appeals of OEIG revolving door employment determinations, changes or proposed changes to ethics-related laws, rules, or policies, and other ethics-related information of interest to public employees and others. In FY 2013, the OEIG issued 12 monthly and two special editions of the newsletter.

► Internships

The OEIG manages an internship program which benefits both the office and the program's participants by engaging qualified students who conduct legal research, produce draft memoranda, or participate in writing or reviewing investigative reports. Legal interns must be enrolled in an accredited law school and investigative interns must be junior, senior, or graduate level students in an accredited college or university criminal justice, public administration, or related program of study. During FY 2013, the OEIG employed one investigative and four legal interns.

► Open House

On June 13, 2013, the OEIG hosted a two-hour open house at its new Chicago office during which guests toured the facility, viewed informational displays illustrating the OEIG's programs, and interacted with staff. The event was attended by more than 80 guests, including numerous public officials and employees, and others.



► Website

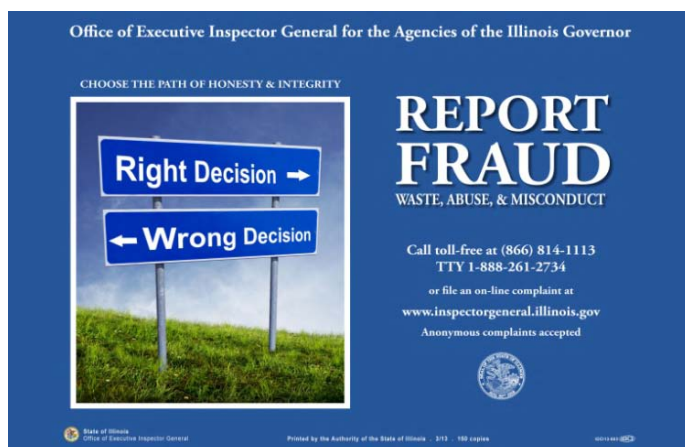
The OEIG's website is frequently updated with information of interest to the public and the employees of entities under the OEIG's jurisdiction.

The website also provides "24 x 7" access to complaint forms, revolving door instructions and forms, ethics officer contact information, publicly released investigative reports and various other information related to the OEIG.



During FY 2013, the website was modified to include a link to information regarding the OEIG's newly formed Grant Review Initiative Team. In addition, the site was updated continuously to ensure the public's ready access to publicly disclosed OEIG investigative reports, decisions related to OEIG findings of violations of the Ethics Act, appeals of OEIG revolving door employment determinations, and media reports related to matters under the OEIG's jurisdiction.

► Fraud Reporting Poster



In June 2013, the OEIG produced and distributed newly designed fraud reporting posters in various sizes, which are intended to promote the reporting of alleged misconduct. Posters are made available to entities under the OEIG's jurisdiction and are expected to appear, for example, in state agency and state public university offices, and in offices, trains and busses of the RTA, the CTA, Metra, and Pace.

ESTABLISH THE GRANT REVIEW INITIATIVE TEAM (GRIT)

In January 2012, the House Human Services and State Government Administration committees held a public hearing resulting from a joint OEIG investigation relating to a public service provider who received more than \$18 million in state grants. That investigation found that, among other things, a lack of state agency oversight allowed a grant recipient to receive funds for services not provided or allowed the grant recipient to bill for the same services under multiple state grants.

The OEIG launched its Grant Review Initiative Team (GRIT) in December 2012. Its mission is to investigate waste, fraud, or misuse of grant funds administered by state agencies. In announcing the creation of the GRIT, Executive Inspector General Meza stated, "Our experience has shown that millions of taxpayer dollars are spent on state grants without enough accountability and oversight. Although much of state grant money may be properly used for worthwhile causes, we must ensure that state funds are used for the purposes for which they were intended, particularly in light of our state's fiscal crisis."

Among OEIG staff assigned to GRIT are a former assistant inspector general with the U.S. Department of Health and Human Services, two former police department command officers, a former investigator for a national credit bureau, and a seven-year OEIG investigator who has conducted numerous investigations, including one that revealed the mismanagement of more than \$7 million in state grant funds. Additional information concerning the GRIT may be found online at www.inpsectorgeneral.illinois.gov.

► *IV. Investigative Activities*



Most investigations are initiated in response to allegations of misconduct contained in complaints received from employees of entities under the OEIG's jurisdiction or the general public. In other instances, the OEIG may initiate an investigation of its own accord. Allegations of misconduct are initially evaluated to determine if the OEIG has jurisdiction and if circumstances warrant investigation by the OEIG, referral to others, or declination.

OVERVIEW

Most matters investigated by the OEIG are summarized in a written report that contains, among other elements, recommendations for employee disciplinary action or policy changes when appropriate. These investigative reports are provided to affected public entities and appropriate ultimate jurisdictional authorities, such as the governor or the board of trustees of a state public university. The OEIG does not have enforcement authority with respect to its recommendations and, therefore, it is an investigative subject's public employer that in most instances is responsible for acting upon recommendations contained in an OEIG investigative report.

In instances where the OEIG finds that a violation of the Ethics Act has occurred, the OEIG has the discretion to request that the Office of the Attorney General file a complaint regarding the matter with the Executive Ethics Commission.

PROCESS AND PERFORMANCE

During FY 2013, the OEIG received a record 2,809 complaints. Within 30 days of its receipt, each complaint must be evaluated and is generally categorized for:

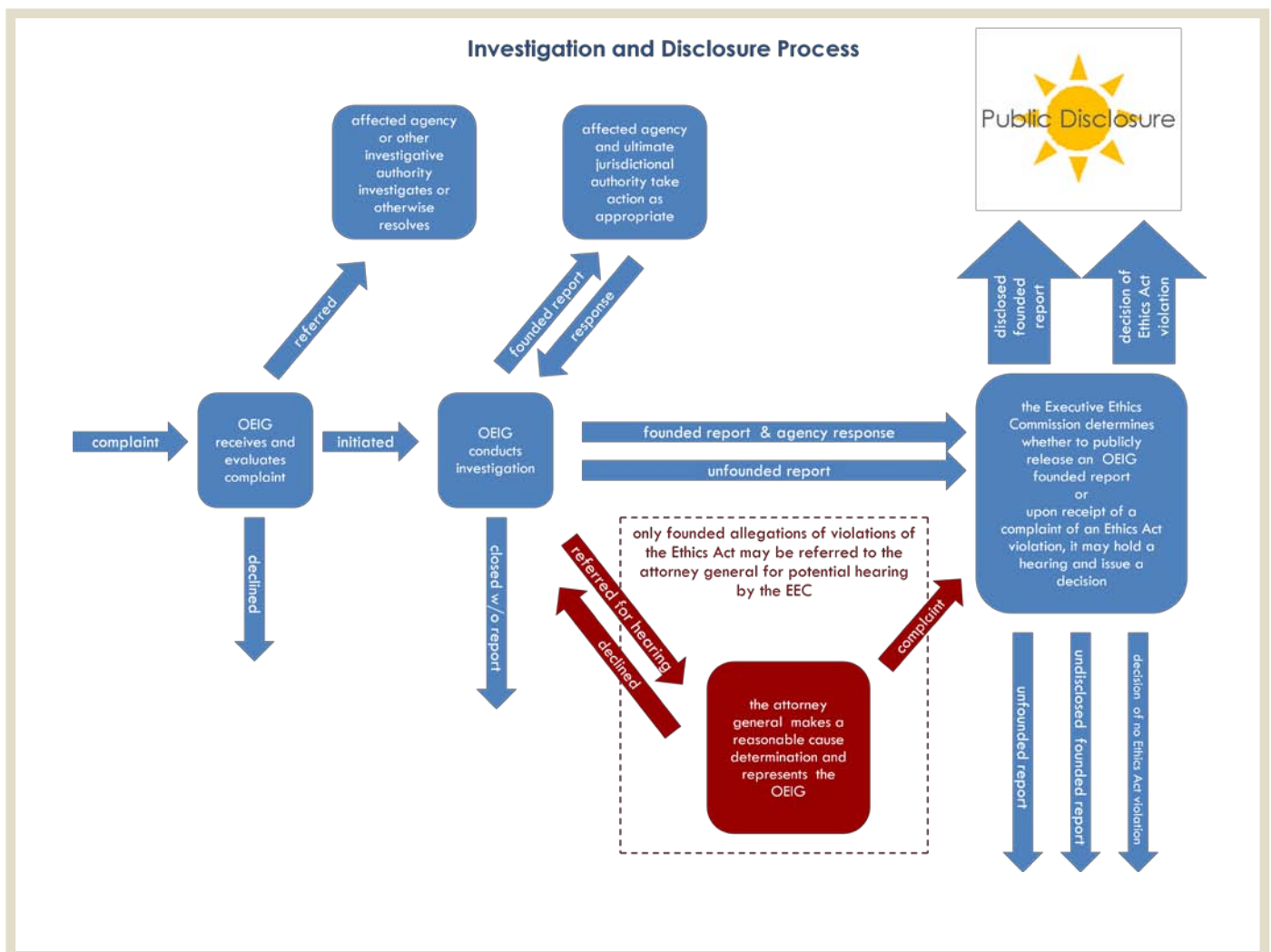
- investigation;
- declination; or
- referral.

A complaint may be declined for various reasons including, for example, if it does not allege a violation of a law, rule, policy, or regulation or if insufficient information is provided. Complaints may be referred to others for investigation or other appropriate action in instances where the OEIG lacks jurisdiction or when the matter is more appropriately resolved by another agency. Complaints alleging criminal activity are referred to law enforcement or criminal prosecutors.

Initial Treatment of Complaints Received*

	FY 12	FY 13
Opened Investigation	143	120
Declined	228	348
Referred	2012	2198
Closed without Report or Pending Review	109	143
Total Received	2492	2809

* This table reflects the disposition of complaints received during the given fiscal year. For example, during FY 2013 the OEIG opened 120 investigations related to complaints received during FY 2013.



Reports Issued During FY13

Reports of Founded Allegations	30
Reports of Unfounded Allegations	56
Total Reports Issued	86

The OEIG determines if each related allegation is either founded or unfounded. When the OEIG determines that reasonable cause exists to believe that a violation of law, rule, policy, or regulation has occurred, an allegation is deemed to be founded. If such reasonable cause does not exist, an allegation is deemed to be unfounded. In all cases, except for those closed without report, the OEIG prepares a written report summarizing the background, investigative steps taken, facts uncovered, and the OEIG's determination.

Under certain circumstances an investigation may be closed without report. For example, an investigation may be closed without report if it is subsequently determined that the OEIG does not have the statutory authority to investigate the matter because the events giving rise to the allegation occurred more than one year prior to filing of the complaint. An investigation may also be closed without report if it is referred to another entity because of facts learned after the investigation has started.

Investigations Closed Without Report During FY13

Investigations Closed Without Report	40
--------------------------------------	----

OEIG RECOMMENDATIONS

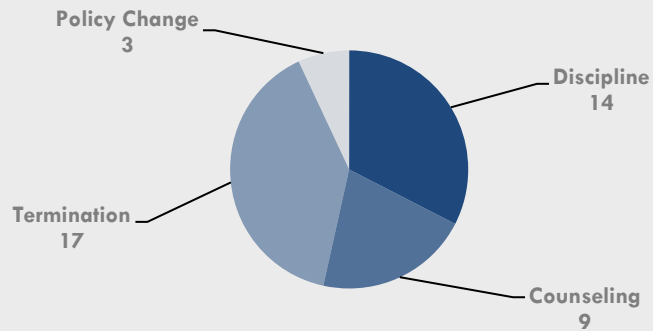
When an investigation is completed, the OEIG issues a written report which documents:

- the allegations of misconduct;
- facts confirmed by the investigation;
- an analysis of the facts in comparison to the law, rule, or regulation; and
- findings and recommendations.

Affected public entities have the discretion to adopt the OEIG's recommendations, which may include:

- employee termination;
- nonspecific employee disciplinary action;
- employee counseling; or
- change of agency policy or practice.

OEIG Recommendation by Type (number of instances in 30 founded cases)



An example of an OEIG recommendation:

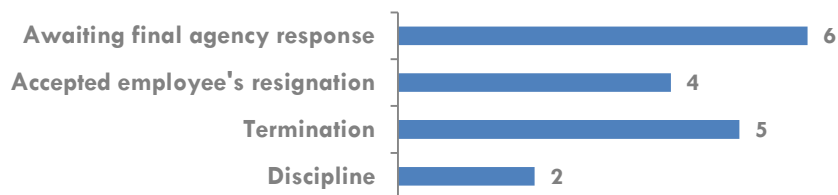
"This investigation reveals that Curtis Thompson is not suitable for State employment. In light of the fact that CMS has terminated Mr. Thompson, the OEIG recommends that CMS amend Mr. Thompson's discharge to include no right to reinstatement to State employment."

– OEIG Case # 12-00407

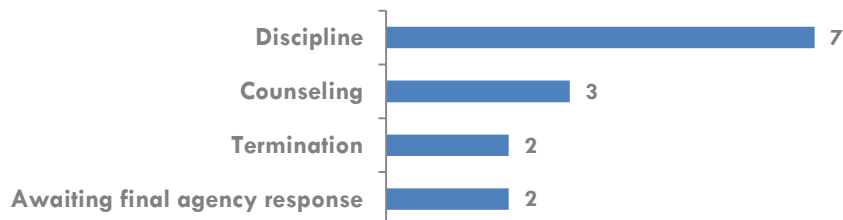
AGENCY RESPONSES TO OEIG RECOMMENDATIONS

Agency Responses to OEIG Recommendations

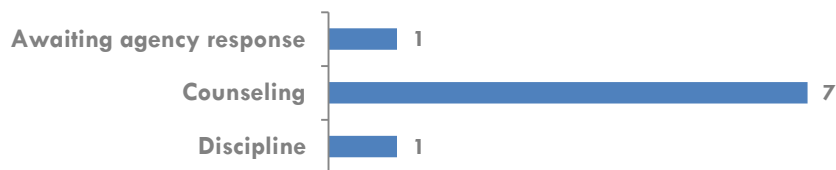
Action in 17 Instances When OEIG Recommended an Employee's Termination:



Action in 14 Instances When OEIG Recommended an Employee's Discipline:



Action in 9 Instances When OEIG Recommended an Employee's Counseling:



Action in 3 Instances When OEIG Recommended an Agency's Policy Change:



Specific actions taken in response to OEIG recommendations are publicly disclosed in instances where OEIG investigative reports are publicly disclosed. Examples of agency responses to OEIG recommendations include:

"The Department of Human Services has reviewed your final report issued July 3, 2012, and agrees with recommendations made by your Office.

The Department has begun the process to terminate Deyon Dean's employment... Ivonne Sambolin will be receiving a three-day suspension for her violations of department policy ..."

— Michelle R.B. Saddler, Secretary, Illinois Department of Human Services, July 23, 2012

"[We have implemented all of the OEIG recommendations.] A copy of this document has been placed in Ms. Hargrave's file along with documentation that she shall not be rehired by CTA ..."

— Forest Claypool, President, Chicago Transit Authority, May 1, 2012 (publicly disclosed July 25, 2012)

"Per your request, the following is an update of OEIG Complaint #12-01551. An employee review hearing was held and Mr. Parton was issued a 25 day suspension. The final resolution of this matter was Mr. Parton's 25 day suspension being reduced to a 15 day suspension at the facility by the Superintendent and Local Union prior to a grievance being filed."

— Arthur D. Bishop, Director, Illinois Department of Juvenile Justice, April 19, 2013

► V. OEIG Reports, Revolving Door Matters, EEC Decisions, and Legislative Action

PUBLICLY DISCLOSED INVESTIGATIVE REPORTS

► “In simple terms, this investigation concerned a full-time State employee who saw nothing wrong with placing his conflicting personal interests and interests as Mayor of Riverdale above the interests of the State of Illinois.”

In re: Deyon Dean and Ivonne Sambolin, Case # 09-01120

On October 4, 2012, a redacted version of an OEIG report concerning Village of Riverdale Mayor and Illinois Department of Human Services Division of Community Health and Prevention Associate Director Deyon Dean was publicly disclosed. The investigation showed that Mr. Dean spent hundreds of hours conducting Village of Riverdale and personal business during his state-compensated work hours.

Mr. Dean conducted Riverdale business without regard to his state work hours and used state resources to do so. Specifically, Mr. Dean:

- attended numerous weekly Riverdale management meetings while on state time;
- spent the equivalent of weeks of time talking on his personal and Riverdale cellular telephones while on state time; and
- used his state computer and email account to send and receive numerous communications relating to Riverdale business, personal business, and his campaign for mayor.

Mr. Dean’s conduct was so brazen that even after investigators interviewed him in July 2010 and February 2011 about his conflicting Riverdale mayoral and DHS positions, he continued to engage in misconduct. In addition, among other forms of misconduct, Mr. Dean:

- authorized false attendance records;
- violated a directive of his supervisor to maintain an accurate work calendar;
- repeatedly used his state computer for non-state business;
- engaged in prohibited political activity by misappropriating his state computer and email account; and
- made false statements to investigators in violation of the Ethics Act.

Even though in late May or early June 2010, DHS concluded a conflict of interest existed between Mr. Dean’s state employment and his mayoral duties, he was allowed to continue to hold his associate director position. The investigation also revealed that Mr. Dean’s supervisor, Ivonne Sambolin, failed to effectively supervise him and that she was not always working during her reported state work hours.

 “... the loss of State funds caused by Mr. Dean’s failure to work hours for which he was paid likely exceeds \$20,000.”

► “In light of the fact that Lolita Hargrave resigned the day before her scheduled OEIG interview, no further disciplinary action need be taken regarding this investigation. Nevertheless, the OEIG recommends that CTA place a copy of this report in Ms. Hargrave’s file and that Ms. Hargrave not be considered for future CTA employment.”

► “Specifically, Mr. Pruitt’s decision to hire a chief financial officer who lacked any degree of higher education, possessed only limited secondary education, and only an introductory accounting background was not a good use of State resources.”

The OEIG referred this matter to the Office of the Attorney General because the loss of state funds exceeded \$5,000. Mr. Dean resigned his state position and Ms. Sambolin was suspended by DHS for three days.

In re: Lolita Hargrave, Case # 12-00038

On July 25, 2012, a redacted version of an OEIG report concerning Chicago Transit Authority Bus Operator Lolita Hargrave was publicly disclosed. The investigation revealed that Ms. Hargrave tried to extend her disability benefits by falsifying a physician’s form. The OEIG interviewed the disability coordinator at Ms. Hargrave’s physician’s office. The coordinator stated that when she questioned Ms. Hargrave about a discrepancy between the “Return to Work” form prepared by the physician’s office and the one submitted by Ms. Hargrave to the CTA, Ms. Hargrave admitted that she falsified the form.

Ms. Hargrave resigned.

In re: Nick Kanellopoulos, Case # 09-00911

On August 6, 2012, a redacted version of an OEIG report concerning Illinois Department of Central Management Services employee Nick Kanellopoulos was publicly disclosed.

Mr. Kanellopoulos, deputy director of the department’s Bureau of Property Management, was found to have violated the Illinois Procurement Code by:

- negotiating with a single respondent to a Request for Information prior to the award of a lease; and
- negotiating a 5-year renewal of a 364-day lease.

CMS suspended Mr. Kanellopoulos for one day and provided him with corrective counseling.

In re: Mark Pruitt and Kristene Callanta, Case # 11-00517

On August 6, 2012, a redacted version of an OEIG report concerning Illinois Power Agency Director Mark Pruitt and Chief Financial Officer Kristene Callanta was publicly disclosed.

The investigation found that Mr. Pruitt:

- violated the Illinois Fiscal Control and Internal Auditing Act when he failed to follow up on issues identified in Illinois Auditor General reports;
- violated the Illinois Fiscal Control and Internal Auditing Act when he wasted state resources by outsourcing procurement activities;
- violated the Illinois Fiscal Control and Internal Auditing Act when he hired unqualified personnel; and
- failed to comply with the Illinois Power Act when he failed to keep the government oversight bodies apprised of the IPA’s activities,

► "... Ms. Callanta herself admitted that she was unfamiliar with accounting laws and regulations which would be applied by a chief financial officer, and did not believe she was qualified to hold the title of CFO."

► "... Mr. Hannah made 6,356 telephone calls for a total of 269.35 hours, during time IDOT records reflect Mr. Hannah was conducting IDOT business. This averages to over 90 minutes of personal telephone conversations per workday, or 20 percent of Mr. Hannah's scheduled working hours. The majority of these calls were made to trucking companies, financial institutions, credit agents, a pool supply company, and family members."

failed to implement necessary rules and policies, failed to establish procurement bureaus, and failed to conduct minority outreach.

Furthermore, the investigation found that Ms. Callanta violated the Ethics Act by not completing ethics training within 30 days of the commencement of her employment. According to Ms. Callanta, Mr. Pruitt told her that she had until the end of the year to complete the training.

Mr. Pruitt's tenure as director ended on October 5, 2011 when the governor appointed a new acting director for the IPA. The OEIG recommended that Mr. Pruitt not be rehired by the state in a position with responsibilities comparable to that of the IPA Director.

In re: LaJanice Sanderson, Case # 11-00189

On July 25, 2012, a redacted version of an OEIG report concerning Illinois Department of Human Services Caseworker LaJanice Sanderson was publicly disclosed. The OEIG found that Ms. Sanderson committed multiple violations of the *DHS Employee Handbook* by impermissibly awarding and modifying assistance benefits for her daughter and son. Also, she violated the Ethics Act by failing to cooperate with investigators.

The OEIG recommended that DHS seek reimbursement for overpayment of approximately \$14,025 in benefits resulting from Ms. Sanderson's actions. Ms. Sanderson resigned her employment in lieu of discharge.

In re: Kenneth Hannah, Case # 10-00096

On October 4, 2012, a redacted version of an OEIG report concerning Illinois Department of Transportation Grant Specialist Kenneth Hannah was publicly disclosed.

The investigation found that Mr. Hannah, among other forms of misconduct, used his official position for personal gain. Mr. Hannah also:

- failed to disclose his secondary employment;
- did not file an accurate 2012 Statement of Economic Interests;
- failed to accurately report time worked for the state; and
- interfered with the OEIG's investigation.

The investigation found that Mr. Hannah personally profited by preparing trucking companies for IDOT safety regulations compliance audits. He charged at least \$115 per hour to conduct trucking company mock audits, which presumably helped the companies to improve their audit scores and avoid IDOT administrative fines.

Furthermore, investigators obtained invoices from a trucking company reflecting 11.5 hours of work that Mr. Hannah performed for the company on March 8 and 9, 2010. Mr. Hannah's IDOT timekeeping records indicated he worked 7.5 hours at IDOT on each of those days. Investigators obtained the invoice evidence despite the fact that the trucking company's president stated that Mr. Hannah contacted him via

telephone and asked that he not provide copies of the invoices to investigators. The company president said that he understood that Mr. Hannah would not want the invoices to be furnished to the OEIG because the documents could be damaging to Mr. Hannah.

Lastly, the OEIG noted in the investigative report that the OEIG previously recommended, following a prior investigation of Mr. Hannah, that he be discharged for multiple findings of misconduct, including abuse of state time, for which Mr. Hannah received a 12-month unpaid suspension. As a consequence of this investigation, IDOT discharged Mr. Hannah.

In re: Corey Wells, Case # 11-01130

On October 4, 2012, a redacted version of an OEIG report concerning Illinois Department of Transportation Engineering Technician Corey Wells was publicly disclosed. The OEIG found that Mr. Wells misused his state computer by accessing inappropriate images, video, audio, and websites in violation of IDOT policy. IDOT discharged Mr. Wells.

In re: Derronald Ward, Case # 11-02080

On October 4, 2012, a redacted OEIG Regional Transit Board Division report involving Chicago Transit Authority Bus Operator Derronald Ward was publicly disclosed.

The investigation revealed that Mr. Ward worked as a bus driver for touring celebrity entertainers while simultaneously on disability leave from the CTA.

Furthermore, Mr. Ward:

- failed to appear for investigative interviews as scheduled on two separate occasions, thus violating the Ethics Act by failing to cooperate with investigators; and
- made false statements to CTA managers regarding secondary employment in violation of CTA rules.

The CTA administratively separated Mr. Ward.

In re: Veronica Brown et al., Case # 11-00323 and #11-01146

On November 16, 2012, a redacted version of an OEIG report concerning Governor's Office of Citizen Action (GOCA) State Services Representatives Veronica Brown and Jamila Mathews and GOCA Director Donna Dalton was publicly disclosed. The OEIG found that Ms. Brown was conducting her secondary employment as a real estate agent during her state work hours and by using state resources including a photocopier and her state email account. Ms. Mathews was found to have abused state time by excessively using her personal cellular telephone during working hours. Ms. Brown and Ms. Mathews were both found to have failed to work their assigned work hours and properly record their actual times worked on their timesheets.

► “Mr. Ward ... submitted medical documents stating that he would return to work on the following ... dates: October 6, 2010, January 28, 2011, February 25, 2011, May 13, 2011, [and] November 29, 2011. Despite submitting documentation indicating that he would return to work ... Mr. Ward never returned to work.”

► “Ms. Dalton reviewed her job description, which states that she is responsible for ‘approv[ing] time for subordinates[.]’ Ms. Dalton stated that she had never seen her job description, did not know it existed, and was not aware she had this responsibility.”

► “Investigators reviewed Ms. Brown’s personal cellular telephone records from October 8, 2010 through August 23, 2011 ... During the approximately 186 days that Ms. Brown was scheduled to work, she made or received approximately 2,532 calls, during her work hours.”

► “Ms. Dye admitted that she ‘put in a good word for her husband’ and asked Ms. Devlin to give him an interview. Ms. Devlin, in turn, directed [a state employee] to select Mr. Dye as one of the interviewees.”

The director of GOCA, Donna Dalton, was found to have improperly supervised Ms. Brown and Ms. Mathews.

Ms. Brown and Ms. Mathews resigned from state employment prior to conclusion of the OEIG’s investigation. Ms. Dalton was counseled regarding her responsibility to properly supervise her subordinates.

In re: Bridget Devlin et al., Case # 10-00790

On November 16, 2012 a redacted version of an OEIG report concerning Illinois Department of Commerce and Economic Opportunity employees Bridget Devlin, Pamela Eicken, Tina Dye, and James Jarocki was publicly disclosed. The OEIG found that Ms. Devlin and Ms. Eicken violated the Personnel Code and salary administration procedures when they improperly effectuated emergency appointment renewals and salary amounts for James Jarocki. Furthermore, the OEIG found that Ms. Eicken violated Administrative Order No. 2 (2009), which relates to so called *Rutan* requirements whereby most state positions must be filled on a strictly merit basis.

Ms. Eicken obtained contact information for job applicants, thus preventing interviewers from complying with requirements that job candidate interview pools be created on a “blind basis.” The OEIG found that Ms. Dye violated Administrative Order No. 2 (2009) when she attempted to influence an interviewer who interviewed Ms. Dye’s husband for a state job. The OEIG also found that Mr. Jarocki falsified his academic credentials on his employment application in order to obtain employment with the state. Ms. Devlin and Mr. Jarocki resigned. Ms. Eicken and Ms. Dye were counseled.

“[Administrative] Order [No. 2 (2009)] ... directs that interviewers assess candidates based on their responses to a uniform set of questions ‘in an atmosphere where interviewers are free of advance knowledge of the candidates and of outside influences. Rutan interviewers must be insulated from any attempts to sway their assessments or hinder their objectivity.’”

► “During the interview, Mr. Killian said, on March 24, 2011 and June 20, 2011, he used a DCFS fax machine to file Statements of Organization with the Board of Elections on behalf of Friends of Tom Bennett.”

In re: Andrew Killian, Case # 12-00199

On November 16, 2012, a redacted version of an OEIG report concerning Illinois Department of Children and Family Services Deputy General Counsel Andrew Killian was publicly disclosed.

The OEIG found that Mr. Killian engaged in prohibited political activity when he:

- used a DCFS fax machine on two separate occasions to file Statements of Organization with the Board of Elections on behalf of a candidate for elective office; and

- used a DCFS cellular telephone to make telephone calls to the Board to Elections regarding campaign filings.

Mr. Killian received a written reprimand from DCFS.

In re: Ronald Smith and Christine Rothwell, Case # 11-01879

On December 3, 2012, a redacted version of an OEIG report concerning Illinois Department of Juvenile Justice Deputy Director of Operations Ronald Smith and Chief of Security for the Illinois Youth Center-Chicago Christine Rothwell was publicly disclosed.

The OEIG found that Mr. Smith violated the Administrative Code by engaging in the unauthorized use of a state vehicle. Furthermore, Mr. Smith was found to have violated the department's policies when he:

- used his state vehicle to drive to a pub, unrelated to official business or his assigned duties;
- traveled to the pub to consume alcohol, consumed alcohol for over five hours, and thereafter drove the state vehicle;
- failed to reimburse the department for his unauthorized use of a state vehicle; and
- engaged in conduct unbecoming of a state employee.

In addition, the OEIG found that Ms. Rothwell violated department policy when she used her state vehicle to visit the same pub on the same day, unrelated to official business or her assigned duties.

Because of equivocation by a Department of Juvenile Justice senior official who was interviewed as part of this investigation, this matter was referred to the Office of the Governor for imposition of appropriate discipline and whatever additional action it deemed appropriate. Mr. Smith received a three-day suspension and counseling, Ms. Rothwell was counseled, and the Office of the Governor stated that it would work to amend the department's Vehicle Use Policy and ensure that department employees are trained and/or notified regarding the amended policy.

In re: Salvador Godinez and Jerry Buscher, Case # 11-01738

On January 30, 2013, a redacted version of an OEIG report concerning the Illinois Department of Corrections was publicly disclosed. The OEIG found that IDOC violated its policies by hiring an individual for a position, which, although exempt from *Rutan* hiring procedures and merit selection under the Personnel Code, has written requirements that the individual's educational background and work history did not meet.

The OEIG recommended that the Office of the Governor take appropriate action regarding the individual's hiring in light of the fact that he did not meet the job's requirements as set forth in its written description. The OEIG also recommended that the Office of the Governor ensure that IDOC prevent future hiring of individuals who do not meet all employment requirements.

► "... video depicts Mr. Smith:

- drinking a 16 ounce glass of beer by himself;
- drinking an entire 56 ounce pitcher of beer by himself; and
- sharing three additional 56 ounce pitche[r]s of beer with a ... Pub patron."

► "[The employee] was shown a copy of the ... position description and asked whether his education and experience met the six requirements. [He] said that he did not meet the third, fourth, or sixth requirements ... He noted, however, that he had supervisory experience as Assistant Manager at a movie store and as Office Manager for his father's campaign."

► “This investigation reveals that Margarita Lopez is not suitable for continued State employment. The OEIG recommends that DHS discharge her with no right to reinstatement. In light of the fact that a jury convicted Ms. Lopez of one count each of wire fraud, mail fraud, and intimidation, and two counts of official misconduct, the OEIG will not refer Ms. Lopez’s non-cooperation to the Illinois Attorney General for a reasonable cause determination.”

► “[The candidate] told investigators that Mr. Thompson was retained to assist with campaign activities such as gathering voter data. [The candidate] also told investigators that Mr. Thompson told him that he would need to take leave time from his job in order to start working for his campaign.”

In re: Margarita Lopez, Case # 09-00681

On January 30, 2013, a redacted version of an OEIG report concerning Illinois Department of Human Services Division of Rehabilitation Services Rehabilitation Counselor Margarita Lopez was publicly disclosed.

The OEIG found 20 instances where Ms. Lopez violated DHS policy, the Illinois Administrative Code, the Ethics Act, or combinations thereof by:

- working on cases involving DHS services, assistance, or benefits provided to her relatives;
- failing to obtain accurate and complete documentation, and misrepresenting the eligibility of DHS clients for benefits;
- failing to secure her computer, her computer password, and her customers’ confidential information; and
- failing to cooperate with investigators by making false statements and accusations during her interview.

Additionally, after conducting a preliminary investigation and discovering evidence of criminal conduct, the OEIG referred the matter to the Office of the Attorney General. Ms. Lopez was indicted by a Cook County grand jury on one count each of wire fraud, mail fraud, and intimidation, and two counts of official misconduct. She was convicted by a jury on all counts and her sentence included a requirement to pay restitution to DHS in the amount of \$17,453. Ms. Lopez was discharged subsequent to her criminal conviction.

In re: Curtis Thompson, Case # 12-00407

On January 30, 2013, a redacted version of an OEIG report concerning Illinois Department of Central Management Services Senior Public Service Administrator Curtis Thompson was publicly released. The OEIG found that Mr. Thompson sought and obtained a leave of absence under the Family and Medical Leave Act (FMLA) for the stated purpose of caring for his ailing father. Using surveillance and other means, the OEIG determined that Mr. Thompson was a paid employee of the campaign for a candidate for elective office.

Mr. Thompson violated CMS policy when he:

- sought FMLA leave for the purpose of seeking or taking employment elsewhere;
- did not disclose or seek approval of his outside employment; and
- submitted false reports to CMS to support his leave request, sought FMLA leave on a fraudulent basis, and attempted to cover up his fraudulent activity by stating that he had resigned.

The OEIG concluded that Mr. Thompson is not suitable for state employment and because his employment had been terminated, the OEIG recommended and CMS implemented, modification of Mr. Thompson’s discharge to include no right to reinstatement.

► “Mr. Levinson first solicited a gift from Mr. Fitzgerald on November 30, 2010 when he asked to use Mr. Fitzgerald’s apartment in California.”

► “... it appears that Mr. Phelps does little work. This, coupled with the OEIG investigative findings, seemingly indicates that the primary actions which Mr. Phelps undertakes in an official capacity are those that constitute misconduct and abuse of his position.”

In re: John Hastings, Case # 12-00447

On April 10, 2013, a redacted version of an OEIG report concerning Illinois Department on Aging employee John Hastings was publicly disclosed. The OEIG found that Mr. Hastings violated various Department on Aging policies related to its employees’ personal conduct, computer use, and email use. Mr. Hastings was terminated.

In re: Adam Levinson et al., Case # 11-00391

On April 10, 2013, a redacted version of an OEIG report concerning University of Illinois at Chicago Associate Athletic Director Adam Levinson was publicly disclosed. The OEIG found that Mr. Levinson and the Director of Intercollegiate Athletics, James Schmidt, failed to ensure that contracts were processed in accordance with UIC policy. The OEIG also found that Mr. Levinson received gifts in violation of the Ethics Act. Furthermore, the OEIG found that Midwest Foods, a UIC vendor, violated the Ethics Act gift ban provisions.

Specifically, Mr. Levinson violated UIC policies when he failed to ensure that athletic department sponsorship agreements were properly reviewed and executed prior to the start date of the contract. Mr. Levinson violated the Ethics Act’s gift ban when he solicited and accepted prohibited gifts from a company that does business with UIC.

Mr. Levinson is no longer an employee of the UIC, Mr. Schmidt was counseled, and UIC issued a reminder to its employees concerning the ban on the solicitation and acceptance of gifts from prohibited sources.

In re: David Phelps et al., Case # 09-00715

On April 15, 2013, a redacted version of an OEIG report concerning Illinois Department of Transportation Assistant Secretary David Phelps and others was publicly disclosed.

The OEIG found that Mr. Phelps:

- engaged in hiring improprieties;
- violated the IDOT Employee Ethics Policy; and
- engaged in a conflict of interest.

The OEIG found that IDOT employee Danny Clayton:

- abused state time;
- engaged in conflicts of interest; and
- failed to document two secondary jobs.

The OEIG found that IDOT employees Carrie Nelsen and Mary Lamie, and non-employee Mark Workman violated the Ethics Act’s gift ban provisions.

Mr. Clayton was discharged, Mr. Phelps resigned, Ms. Nelsen was suspended, Ms. Lamie was counseled, and Mr. Workman was reminded of the gift ban provisions. Furthermore, IDOT implemented policy changes in an effort to mitigate future similar misconduct.

 "... there is no other documentation accounting for Mr. Clayton's work for 184.25 hours ... or what would be the equivalent of \$10,470.31 in wages ..."

► "She stated that during a period beginning sometime in 2009 through November or December 2010 she received ten cash payments in amounts ranging between \$25 and \$50, and fifty or more gift cards with an approximate value of \$50 each."

In re: Sherry Johnson, Case # 10-00929

On April 30, 2013, a redacted version of an OEIG report concerning Illinois Workers' Compensation Commission employee Sherry Johnson was publicly disclosed. The OEIG found that Ms. Johnson copied information from IWCC records and sold that information to a private loan company.

The OEIG concluded that Ms. Johnson:

- used IWCC information for personal use;
- used her position to obtain monetary and nonmonetary consideration;
- conducted personal business while on state time;
- violated the Ethics Act gift ban provisions;
- violated the IWCC Employee Manual's gift provision;
- misused IWCC office equipment; and
- violated the Ethics Act requirement that she cooperate with the OEIG's investigation.

In addition, the OEIG found that IWCC's security measures were lacking and susceptible to abuse. IWCC case files were stored in open unlocked areas and in unlocked file cabinets. The files contained confidential information such as medical information and Social Security numbers.

The OEIG recommended that Ms. Johnson be terminated. Ms. Johnson resigned from state employment. The IWCC has taken actions to securely store files and documents, further restricted 24-hour employee access to its facilities, allowed its employees additional time to redact confidential information prior to making certain of its records available to the public, and plans to provide training to its employees regarding the solicitation and acceptance of gifts, and the privacy of files.

In re: Tyrone Finley and Mae Cleveland, Case # 11-00497

On June 7, 2013, a redacted version of an OEIG report concerning Illinois Department of Central Management Services employees Tyrone Finley and Mae Cleveland was publicly disclosed. The OEIG found that Mr. Finley violated CMS policy by improperly requesting and using leave time to receive state compensation while serving time in prison for driving on a suspended or revoked license.

► "... the OEIG concludes that Ms. Cleveland knew the true reason for Mr. Finley's leave requests was that Mr. Finley might go to jail. When she denied this fact, and continued to deny it in three interviews with the OEIG, she was not being truthful."

► "... calculations revealed that seven clients received food stamp overpayments, for a cumulative total of \$5,608 ... These overpayments, in combination with the \$4,579 overpaid to [client], cumulatively totaled approximately \$10,187."

► "Mr. Parton admitted that, on numerous occasions, the completed DJJ paperwork indicated that he administered drug tests when, in fact, he had not ... According to DJJ records, Mr. Parton signed documents indicating that he administered eleven drug tests on five dates and times on which he was not at work."

The OEIG found that Mr. Finley:

- improperly used sick time while incarcerated;
- failed to submit required forms to justify his paid leave; and
- made false written and oral statements about his employment.

Furthermore, the OEIG found that Mr. Finley's supervisor, Mae Cleveland:

- failed to ensure compliance with CMS timekeeping procedures;
- failed to report evidence of omission or improper action by Mr. Finley; and
- violated the Ethics Act by making a knowing false statement to OEIG investigators.

Mr. Finley is no longer a state employee and Ms. Cleveland received a 20-day suspension.

In re: Leslie Oliver, Case # 09-00711

On June 7, 2013, a redacted version of an OEIG report concerning Illinois Department of Human Services caseworker Leslie Oliver was publicly disclosed. The OEIG found that Ms. Oliver violated DHS policy by failing to follow procedures that resulted in DHS clients receiving food stamp benefits to which they were not entitled.

The OEIG found that Ms. Oliver violated DHS policy when she:

- failed to verify clients were eligible for food stamp benefits despite information regarding their income that indicated they were not;
- failed to document her verification of clients' incomes in case notes; and
- did not issue forms to clients in order to reconcile discrepancies in their reported earnings.

Ms. Oliver received a three-day suspension and DHS initiated action to recover \$10,187 in overpayments made to its clients.

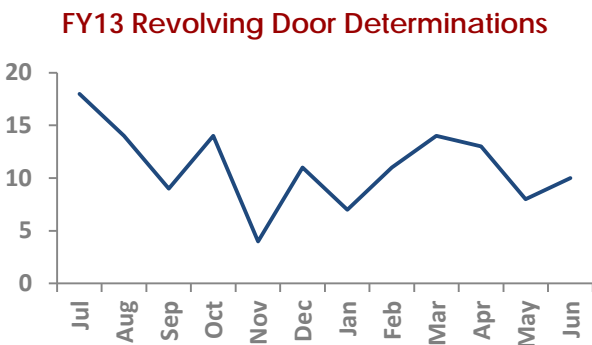
In re: Charles Parton, Case # 12-01551

On June 13, 2013, a redacted version of an OEIG report concerning Illinois Department of Juvenile Justice employee Charles Parton was publicly disclosed.

The OEIG found that Mr. Parton signed documents indicating that he had conducted 11 drug tests administered to youths housed at DJJ facilities when, in fact, he had not personally done so.

Mr. Parton was suspended for 14 days.

REVOLVING DOOR APPEALS



An inspector general's determination concerning revolving door employment restrictions may be appealed to the Executive Ethics Commission by the person subject to the determination or the Illinois attorney general. In FY 2013, nine determinations of the OEIG were appealed. Six were affirmed. The appealed matters include:

In re: Patricia McDorman, Case # 13-EEC-001

On June 29, 2012, the OEIG determined that Illinois Department of Public Health Facility Surveillance Nurse Patricia McDorman was not restricted from accepting an employment offer from Peterson Health Care-Roseville Rehabilitation and Health Care (Roseville).

On July 19, 2012, in response to the appeal by the Office of the Attorney General, the EEC affirmed the OEIG's determination that Ms. McDorman's proposed employment would not violate the Ethics Act. The commission concluded that Ms. McDorman's regulatory activities relating to an affiliate of Roseville did not preclude Ms. McDorman from accepting employment with Roseville where there was not sufficient evidence to pierce the corporate veil and hold that Ms. McDorman's regulatory activities directly applied to Roseville or its parent or subsidiary.

In re: Kathie Wagle, Case # 13-EEC-002

On July 6, 2012 the OEIG determined that Illinois Department of Public Health EMS Coordinator Kathie Wagle was not restricted from accepting an employment offer from Caterpillar, Inc.

On July 25, 2012, in response to the appeal by the Office of the Attorney General, the EEC vacated the OEIG's determination, holding that Ms. Wagle's inspection of EMS vehicles on Caterpillar premises constituted personal and substantial participation in a regulatory or licensing decision that directly applied to Caterpillar.

In re: Kathie Wagle, Case # 13-EEC-004

On August 30, 2012 the OEIG determined that former Illinois Department of Public Health EMS Coordinator Kathie Wagle was not restricted from accepting a second employment offer from Caterpillar, Inc. for a position that was different from the position she was offered in the matter above (Case #13-EEC-002).

On September 20, 2012, in response to the appeal by the Office of the Attorney General, the EEC affirmed the OEIG's determination that Ms. Wagle's proposed employment would not

violate the Ethics Act. The commission concluded that Ms. Wagle's signature on inspection reports where she had not actually conducted the inspection did not constitute personal and substantial participation in a regulatory or licensing decision.

In re: Shaun Saville, Case # 13-EEC-009

On October 29, 2012 the OEIG determined that former Illinois State Board of Education Principal Education Consultant Shaun Saville was not restricted from accepting an employment offer from Chicago Public Schools. Ms. Saville was offered a position as a special education teacher at CPS's McNair Elementary School.

On November 19, 2012, in response to the appeal by Office of the Attorney General, the EEC affirmed the OEIG's determination that Ms. Saville's proposed employment would not violate the Ethics Act. Though Ms. Saville had monitored CPS schools while at the Board of Education, she had not monitored or otherwise regulated McNair Elementary School.

In re: Donald W. McBride, Case # 13-EEC-012

On December 21, 2012 the OEIG determined that Illinois Department of Natural Resources Inspector at-Large Donald McBride was restricted from accepting an employment offer from White Oak Resources, LLC, a mining company subject to licensing decisions of DNR.

The basis for the OEIG's determination was that during the year immediately preceding his intended termination of state employment, Mr. McBride participated personally and substantially in making a licensing decision that directly applied to White Oak by certifying certain subcontractors that were working on a White Oak mining project.

On January 3, 2013, in response to Mr. McBride's appeal, the EEC affirmed the OEIG's determination that Mr. McBride's proposed employment would violate the Ethics Act. The EEC found that Mr. McBride's certification of White Oak's subcontractors directly applied to White Oak.

In re: Debra Kay Inman, Case # 13-EEC-013

On January 25, 2013 the OEIG determined that Illinois Department of Public Health Facilities Surveillance Nurse Debra Kay Inman was not restricted from accepting two separate employment offers from East Moline Nursing and Rehab, and Knox County Nursing Home. Ms. Inman's duties included, along with a team of three to five reviewers, reviewing records of a preselected sample of nursing home residents, interviewing nursing home staff and residents, and surveying nursing home facilities for compliance with annual licensing and/or certification requirements.

On February 14, 2013, in response to the appeal by Office of the Attorney General, the EEC reversed the OEIG's determinations and found that Ms. Inman's proposed employment by each employer would violate the Ethics Act. The EEC found that Ms. Inman's participation in surveys of her prospective employers' facilities constituted personal and substantial participation in making regulatory or licensing decisions that applied directly to her prospective employers.

In re: Daniel Grant, Case # 13-EEC-014

On February 15, 2013 the OEIG determined that former Illinois Department of Insurance Deputy Director of Health Care Products Daniel Grant was not restricted from accepting a consulting relationship with Hinshaw Consulting, LLC.

On March 7, 2013, in response to the appeal by the Office of the Attorney General, the EEC affirmed the OEIG's determination and found that Mr. Grant's proposed employment as an independent contractor for Hinshaw Consulting would not violate the Ethics Act.

"If [Mr. Grant] intends to work for clients he regulated, he should notify the OEIG or risk violating the revolving door prohibition."

In re: Jun Esuerte, Case # 13-EEC-019

On April 8, 2013 the OEIG determined that Illinois Department of Public Health Facility Surveillance Nurse Jun Esuerte was not restricted from accepting employment with Legacy Healthcare Financial Services. During the year prior to the termination of his state employment, Mr. Esuerte participated in surveys of five nursing facilities for which LHFS provided financial and management services.

On April 29, 2013, in response to the appeal by the Office of the Attorney General, the EEC reversed the OEIG's determination and found that Mr. Esuerte's proposed employment would violate the Ethics Act. The EEC concluded that, though Mr. Esuerte had not regulated his prospective employer, he had regulated nursing facilities that were controlled by that employer.

In re: Roland Marr, Case # 13-EEC-020

On April 19, 2013 the OEIG determined that former Illinois Department of Revenue employee Roland Marr was not restricted from entering into a contract with the Illinois Petroleum Marketers Association pursuant to which he would provide consulting services to IPMA's members. Prior to his retirement on November 30, 2012, Mr. Marr was responsible for managing the Department of Revenue's Alcohol, Tobacco and Fuel Division. During the year prior to his termination of state employment, Mr. Marr did not participate in any licensing or regulatory decisions that directly applied to the IPMA.

On May 9, 2013, in response to the appeal by Office of the Attorney General, the EEC affirmed the OEIG's determination that Mr. Marr's proposal to serve as a consultant to the IPMA would not violate the Ethics Act. The EEC concluded that, though Mr. Marr had regulated members of the trade association, he had not made any regulatory decision that directly applied to the association.

REVOLVING DOOR COURT DECISION

April Lasker v. Executive Ethics Commission et al., Case # 12 CH 14264

On March 29, 2013, the Circuit Court of Cook County dismissed a lawsuit that sought to declare the Ethics Act's revolving door prohibition: 1) unconstitutional because it fails to provide due process, and 2) void for vagueness because it does not define "participated personally and substantially." The lawsuit was brought by April Lasker, a former employee of the Illinois Housing Development Authority. The lawsuit relates to an earlier OEIG determination that Ms. Lasker was

permitted to accept an employment offer upon termination of her state employment. That determination was subsequently reversed upon appeal by the Office of Attorney General, resulting in Ms. Lasker's lawsuit.

EEC DISCIPLINARY DECISIONS

Meza v. Hopgood, Case # 11-EEC-007

On July 25, 2012, the Executive Ethics Commission issued a decision finding that Eastern Illinois University employee Debra Hopgood, who headed its Office of Academic Assessment and Testing, violated the Ethics Act. She did so by failing to cooperate with OEIG investigators when she intentionally and knowingly made a series of false statements to them. Furthermore, she intentionally interfered with the investigation by falsely answering several interview questions. Ms. Hopgood was fined \$1,500.

"In aggravation, respondent was in a position of considerable authority. She possessed a doctorate and led an office at a State university. Furthermore, the scope of her obstruction and interference, measured by the number and degree of falsehoods respondent told to OEIG investigators, is significant."

Meza v. Nelsen, Case # 11-EEC-011

On July 25, 2012, the Executive Ethics Commission issued a decision finding that Illinois Department of Transportation employee Carrie Nelson, who was district nine bureau chief of program development, violated the Ethics Act. She did so by accepting professional baseball tickets from a prohibited source in violation of the gift ban. Ms. Nelsen was fined \$250.

"IDOT suspended respondent without pay for two weeks, effective February 7, 2011, based on the allegations set forth in the Verified Complaint."

Meza v. Clayton, Case # 11-EEC-012

On December 3, 2012, the Executive Ethics Commission issued a decision finding that Illinois Department of Transportation employee Danny Clayton, who was assistant to the region five engineer in IDOT district nine, violated the Ethics Act. Mr. Clayton failed to cooperate in an investigation by telling OEIG investigators he did not ask another IDOT employee to make false statements to OEIG investigators. Furthermore, the commission found that Mr. Clayton's actions intentionally obstructed and interfered with the investigation by asking the other IDOT employee to tell investigators that Mr. Clayton did not aid 2009 Summer Program job candidates, did not improperly remove candidate applications, and that Mr. Clayton had no involvement in the related hiring process. Mr. Clayton was fined \$4,000.

"Danny Clayton tells a story that is very different from the story told by other witnesses, including the OEIG investigator, Michael Bigler, and Billie Henderson. The testimony of these other witnesses is consistent ... Clayton testified that the purpose of the conversation was simply to encourage Bigler to tell the truth to [OEIG] investigators. Bigler, however, testified that Clayton asked him to lie."

Meza v. Thurston, Case # 13-EEC-005

On January 29, 2013, the Executive Ethics Commission issued a decision finding that former Executive Ethics Commissioner Stephen Thurston violated the Ethics Act. To better ensure impartiality, the State Officials and Employees Ethics Act contains provisions that apply specifically to EEC employees and commissioners. These select individuals are thereby limited with respect to their involvement in political activities.

During his term as an EEC commissioner and despite having been informed of restrictions on his political activities, Rev. Thurston attended a prayer breakfast for a candidate for elective office and made statements in support of that candidate. In its decision, the EEC noted that prior to his improper actions, Rev. Thurston, and his fellow EEC commissioners, had been provided copies of an Illinois Attorney General Opinion that interprets the Ethics Act to, among other things, prohibit EEC commissioners and employees from attending a political event relating to a campaign for elective office. Rev. Thurston was fined \$2,500.

"The commissioners and employees of the Executive Ethics Commission are a very select group whose actions will be subject to intense scrutiny, and their fairness and impartiality must, at all times, be beyond reproach. The General Assembly could logically and reasonably determine that the involvement of the commissioners or the employees of the Executive Ethics Commission in political matters might jeopardize that impartiality or cause an appearance of partiality, thus undermining the confidence in our public institutions that the Ethics Act was intended to restore. Consequently, significant restrictions on the political activities of the commissioners and the employees of the Executive Ethics Commission can be justified in these circumstances."

– Attorney General Lisa Madigan, Ill. AG Opinion 05-001 (January 12, 2005)

Meza v. Cameron, Case # 13-EEC-011

On April 10, 2013, the Executive Ethics Commission issued a decision finding that Illinois Department of Transportation employee Jerry Cameron violated the Ethics Act. Mr. Cameron accepted four tickets to a professional baseball game from a contractor who was prequalified to bid on IDOT construction projects. Mr. Cameron admitted that his acceptance of this gift, from a prohibited source, violated the gift ban provisions of the Ethics Act. Although IDOT suspended Mr. Cameron without pay for two weeks, the commission fined Mr. Cameron \$250.

"By accepting baseball tickets valued at \$308.00 from a prohibited source in July of 2011, respondent violated Section 10-10 (Gift Ban) of the Ethics Act. Furthermore, respondent has admitted that his conduct violated the Gift Ban provisions of the Ethics Act."

LEGISLATIVE ACTION

► Transparency in State Government

Introduced by State Representative Fred Crespo (44th District) on January 25, 2013, **House Bill 970** would allow an executive inspector general to publicly disclose founded summary reports in certain instances when the Executive Ethics Commission (EEC) elects not to do so. Present law mandates the EEC's public release of founded summary reports only in instances where a state employee is terminated or suspended for three or more days.

The legislation, similar to that first introduced by Representative Crespo In October 2011, was introduced because under the Ethics Act, the EEC's mandatory publication of an executive

inspector general's investigative report hinges on the severity of the discipline imposed by a public employee's employer.

Investigative reports not required to be publicly disclosed by the EEC include, for example, those relating to the following circumstances:

- **Employee resignations:** Reports wherein employees are found to have engaged in misconduct and then resign are not required to be publicly disclosed, because a resignation is not a "termination," which is a trigger for mandatory publication. An example is former Illinois Department of Children and Family Services Director Erwin McEwen, who resigned after an OEIG investigation concerning, among other serious matters, \$18 million in improperly managed state grants. The public would not have been made aware of the systemic fraud uncovered had the commission not opted to exercise its discretionary authority to publish the investigative report.
- **Suspensions of less than three days:** Instances involving employees suspended for fewer than three days do not trigger mandatory publication. If an agency wishes to avoid public scrutiny, it could limit its imposition of employee discipline to less than three days and if the commission opts not to exercise its discretionary authority to release the report, the public may never be made aware of the misconduct.
- **Alternative Discipline:** Agencies that impose discipline that is serious but not contemplated by the Ethics Act, may avoid mandatory publication. For example, if an agency docks an employee a month's salary, it may not be considered a suspension and if the commission opts not to exercise its discretionary authority to release the report, the public may never be made aware of the misconduct.
- **No Discipline:** In instances where significant misconduct, mismanagement, or waste is uncovered but no discipline is imposed because the individual is an appointee or opts to resign or retire from employment, and if the commission opts not to exercise its discretionary authority to release the report, the public may never be made aware of the misconduct.

Introduced by State Representative Fred Crespo (44th District) on February 26, 2013, [House Bill 3219](#) provides that if an executive inspector general determines that conduct at issue in one of his or her investigative reports resulted in a loss of public funds in an amount of \$5,000 or more, then the EEC must make the report or a redacted version of the report available to the public.

The OEIG is supportive of legislative efforts to increase transparency in government through the public disclosure of greater numbers of its investigative reports wherein misconduct has been found.

► State Grants Oversight

Introduced by State Representative Patricia Bellock (47th District) on December 10, 2012 and signed into law on July 1, 2013, [P.A. 098-0047](#) amended the Illinois Grant Funds Recovery Act, authorizing the governor to create the Illinois Single Audit Commission. It requires the commission to conduct research regarding state grant administration and create a report summarizing the commission's recommendations regarding uniform standards for the administration of state grants. The statutory provisions require the report to include statutory and rule change proposals to develop a coordinated oversight process for state grants to ensure quality programs and to limit fraud, waste, and abuse.

The OEIG filed a statement in support of House Bill 2 with the Illinois Senate State Government

and Veterans Affairs Committee on May 14, 2013. This statement explained that the OEIG's experience with state grants has shown the following deficiencies in the manner in which they are administered:

- **No Common Application:** The State of Illinois lacks a common application, outside of minimal requirements in the Grant Funds Recovery Act. Without a common application requiring relevant information about a grantee's ability to perform services and other disclosures regarding potential conflicts of interest, state agencies may not perform needed pre-award investigations or inquiries.
- **No Common Grant Agreement:** The State of Illinois also lacks a common grant agreement, outside of minimal requirements in the Grant Funds Recovery Act. Therefore, some grant agreements may require detailed reports from grantees or monitoring, and others may require little from grantees.
- **Lack of Transparency:** The State of Illinois has insufficient searchable information publicly available on the Illinois Transparency and Accountability Portal or other public sources so that agencies and members of the public can be aware of the full extent of grantees' state grants and the purposes for which they were awarded. As a result, grantees can more easily engage in fraud by providing the same services under different grants.
- **No Uniform Administrative Rules:** Unlike federal grants, which are governed by a uniform set of administrative rules (the so-called "Common Rule"), the State of Illinois does not have one set of administrative rules governing its grants. Therefore, as described above, state grants are governed only by the grant agreements, which may differ substantially from agency to agency, and by any program-specific rules setting forth standards, such as for allowable costs.
- **Lack of Statewide Non-Compliance List:** Once a given agency suspends or cuts off funding to a grantee because of non-compliance, that information is not shared with other agencies, or even with other programs within the same agency. Therefore, a grantee may continue to collect grant funds from other state sources undeterred.

► Ethics Training Compliance

Introduced by State Representative Fred Crespo (44th District) on February 26, 2013, [House Bill 3220](#) would set a fine of \$250 for the failure of a state employee to complete mandatory ethics training within 30 days of the deadline for the training established by the EEC. This legislation would also establish a fine of \$350 for employees who fail to complete training within 31 to 60 days after the deadline and a \$500 fine for failure to complete the training within 61 days after the deadline.

The OEIG is supportive of legislative efforts to increase timely employee compliance with ethics training requirements.

► Appendices

I	Senior Management	46
II	Number of Complaints Received by Type	48
III	Number of Founded Complaints by Agency	49
IV	Number of Founded Complaints by Type	50
V	Monthly Investigative Metrics	51
VI	Annual Complaint Metrics	52
VII	Freedom of Information Act	53
VIII	References on the Web	54

► Appendix I – Senior Management

Ricardo Meza, Executive Inspector General

Mr. Meza was appointed acting executive inspector general on September 7, 2010 and was subsequently confirmed by the Illinois Senate on November 17, 2010. Prior to his appointment, Mr. Meza was the midwest regional counsel for the Mexican American Legal Defense and Educational Fund, a civil rights organization. Mr. Meza also served more than 10 years as an assistant U.S. attorney, primarily in the Chicago office where he tried over 30 federal criminal cases. 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 also served as an assistant attorney general, where he represented the State of Texas. Mr. Meza received his BA 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* staff, and president of the Hispanic Law Students Association. Mr. Meza is licensed to practice law in Illinois and Texas.

Cole S. Kain, Chief of Staff and General Counsel

Mr. Kain joined the OEIG in November 2010. He has more than 15 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. He has authored and edited numerous publications addressing employee dishonesty and fraud. He is editor of *Annotated Commercial Crime Policy (Second Edition)*. Mr. Kain graduated from The University of Iowa (BA), The John Marshall Law School (JD, *with high distinction*) and New York University School of Law (LLM). He is a former law clerk to the late Honorable Dominick L. DiCarlo, chief judge, United States Court of International Trade.

Susan Haling, Special Counsel

Ms. Haling joined the OEIG in December 2011 and serves as special counsel. She has more than nine years experience as an assistant U.S. attorney in Chicago where she tried over 25 criminal cases. Ms. Haling also previously worked for the U.S. Justice Department, Criminal Division in Washington D.C. Ms. Haling was a law clerk for the Honorable James F. Holderman, district judge for the Northern District of Illinois. Ms. Haling received her BA from the University of Notre Dame and obtained her law degree from DePaul Law School where she graduated Order of the Coif, served as an editor for the *Law Review*, and was a member of the Moot Court Trial Team.

Daniel Hurtado, Special Counsel

Mr. Hurtado was appointed special counsel in July 2012. Prior to that time, he was a litigator with a large law firm for 17 years and served as in-house counsel for a media company for 2½ years. Mr. Hurtado has served as president of the Hispanic Lawyers Association of Illinois, chair of the Chicago Lawyers Committee for Civil Rights, and as a member of the Legal Assistance Foundation Board of Directors and the Chicago Legal Clinic Board of Directors. He has been honored with the Chicago Bar Association Vanguard Award, the Public Interest Law Initiative Distinguished Alumnus Award, and MALDEF's Excellence in Legal Service Award. Mr. Hurtado received a BA from the University of Michigan and holds an MA and JD from Northwestern University where he was an editor of the *Journal of Criminal Law and Criminology* and president of the Hispanic Law Students Association.

Erin K. Bonales, Deputy Inspector General and Chief of the Chicago Division

Prior to joining the OEIG in May 2006, Ms. Bonales was an assistant general counsel for the Illinois Department of Human Services (DHS) for five years. In that capacity, Ms. Bonales advised and assisted the Office of the Attorney General and outside counsel in representing DHS in federal and state courts, as well as various administrative tribunals; rendered legal advice to management and staff on the agency's administrative and programmatic functions; and represented DHS in administrative matters. Ms. Bonales received a JD from the University of Illinois College of Law, and a BA in political science from Southern Illinois University.

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

Mr. Olson joined the OEIG in February 2010 after working for the Commonwealth of Massachusetts where he was an assistant attorney general in the Massachusetts Attorney General's Office. Mr. Olson also served as a staff attorney at the Massachusetts Commission on Judicial Conduct. In addition, 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. (Laura K. Bautista was appointed to this position effective July 22, 2013)

Fallon Opperman, Deputy Inspector General and Chief of the Regional Transit Board Division

Ms. Opperman joined the OEIG as an assistant inspector general in June 2008 and most recently served as deputy chief of the Regional Transit Board Investigative Division. As deputy inspector general and chief of the Regional Transit Board Investigative Division, Ms. Opperman is responsible for directing investigations related to the Regional Transportation Authority, the Chicago Transit Authority, Metra, and Pace. Ms. Opperman received a BA in political science from North Central College and obtained her law degree from the DePaul University College of Law.

Rochelle M. Hardy, Chief Financial and Compliance Officer

Ms. Hardy joined the OEIG in October 2008. She has 32 years of experience in management, accounting, finance, information technology, and professional development of staff. She was previously employed as the chief fiscal officer for the Illinois State Police and deputy director of administration for the Shared Services Public Safety Center. She also served for six years as the director of information systems for the County of Kenosha (WI). Ms. Hardy also held various private sector positions including manager of accounting, senior accountant/controller, and manager of consulting services. She received her BS in business administration and accounting from Roosevelt University and her MBA from Keller Graduate School of Management. 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 and Compliance

Mr. Keahl joined the OEIG in October 2003. Previously, 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. He is experienced 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 joined the OEIG in July 2003 and has 30 years of state government service in various administrative and human resource positions. She received her BA from DePaul University in business administration, is a member of the Society for Human Resource Management, and maintains her certification as a Professional in Human Resources.

► **Appendix II – NUMBER OF COMPLAINTS RECEIVED BY TYPE**

PRIMARY ALLEGED MISCONDUCT	FY 12	FY 13
Abuse	42	55
Abuse of Time	127	108
Americans with Disabilities Act Violations	1	5
Bid-Rigging	2	6
Breach of Confidentiality	31	31
Bribery	5	4
Child Support	2	0
Conflict of Interest	56	46
Corruption	4	28
Discrimination	27	26
Ex Parte Communications Violation	1	2
Extortion	0	1
Failure to Cooperate	3	8
Failure to File Statement of Economic Interests	0	1
Failure to Follow Agency Policy	14	78
False Employment Application	7	2
Fraud	152	225
Ghost Pay Rolling	3	4
Gift Ban Violation	7	6
Harassment	69	113
Hiring Improprieties	77	79
Improper Political Promotion	2	0
Misappropriation or Misuse of Funds	26	42
Misconduct	624	786
Mismanagement	891	761
Misuse of Property	50	50
Other	69	93
Patronage	1	2
Personnel	2	0
Political Work on State Time	12	8
Prisoner Complaint	7	10
Procurement Fraud	9	9
Prohibited Political Activity	9	12
Retaliation	48	80
Revolving Door Violation	5	8
Sexual Harassment	9	16
Theft	26	50
Unethical Conduct or Practices	34	28
Violence in the Workplace	2	3
Waste	9	6
Wrongful Termination	27	17
Total	2,492	2,809

► *Appendix III – NUMBER OF FOUNDED COMPLAINTS BY AGENCY*

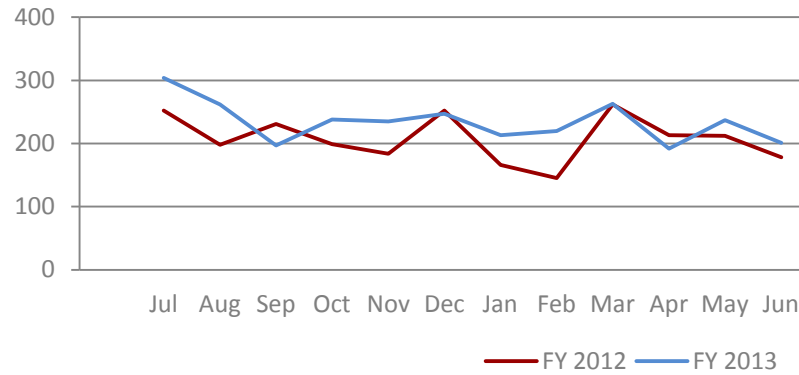
AGENCY NAME	FY 12	FY 13
Aging, Department on	0	1
Central Management Services, Department of	1	3
Chicago Transit Authority	2	6
Children and Family Services, Department of	0	1
Commerce and Economic Opportunity, Department of	0	1
Corrections, Department of	2	2
Employment Security, Department of	1	0
Executive Ethics Commission	1	0
Financial and Professional Regulation, Department of	2	2
Governor, Office of the	3	0
Healthcare and Family Services, Department of	1	0
Human Rights, Department of	0	1
Human Services, Department of	12	4
Illinois Power Agency	1	0
Juvenile Justice, Department of	0	2
Labor, Department of	0	1
Natural Resources, Department of	0	1
Northern Illinois University	1	0
Public Health, Department of	1	0
Revenue, Department of	1	0
State Police	1	0
Transportation, Department of	4	2
University of Illinois	0	1
Veterans' Affairs, Department of	4	1
Workers' Compensation Commission	0	1
Total	38	30

► **APPENDIX IV – NUMBER OF FOUNDED COMPLAINTS BY TYPE**

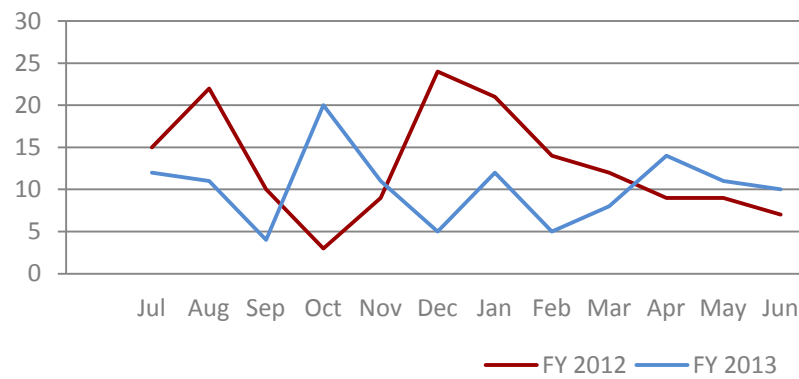
PRIMARY COMPLAINT TYPE	FY 12	FY 13
Abuse of Time	1	8
Bid-Rigging	1	0
Conflict of Interest	2	1
Failure to Follow Agency Policy	1	0
Fraud	3	5
Ghost Pay Rolling	2	0
Gift Ban Violation	3	1
Hiring Improprieties	4	2
Misappropriation or Misuse of Funds	2	0
Misconduct	10	7
Misuse of Property	6	0
Procurement Fraud	2	1
Prohibited Political Activity	0	2
Revolving Door Violation	1	0
Sexual Harassment	0	1
Theft	0	1
Unethical Conduct	0	1
Total	38	30

► APPENDIX V – MONTHLY INVESTIGATIVE METRICS

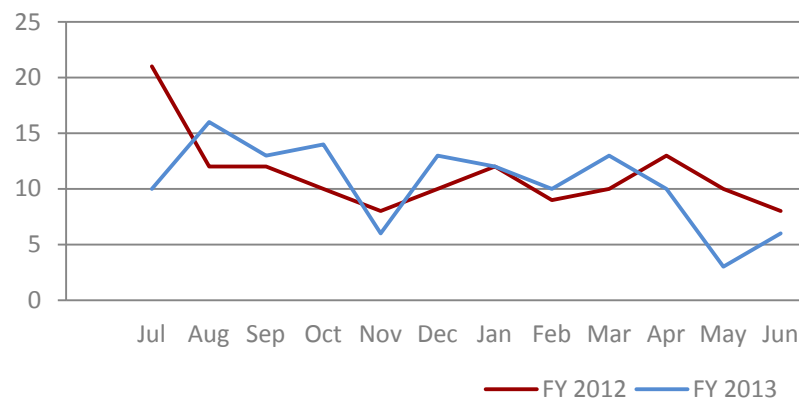
Complaints Received by Month



Number of Investigations Opened by Month

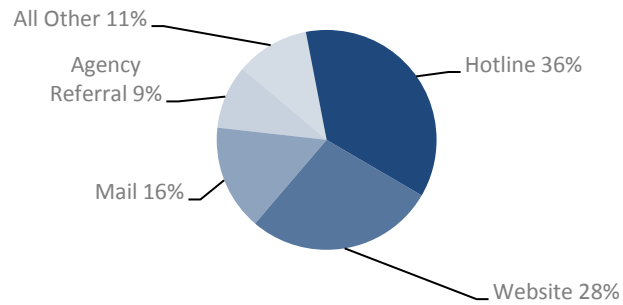


Number of Investigations Closed by Month

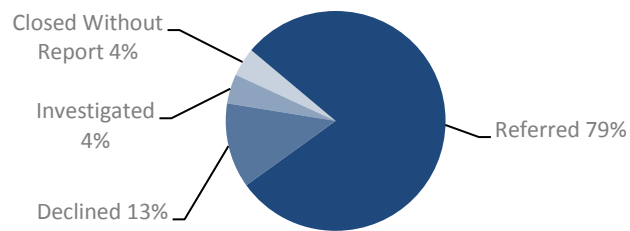


► APPENDIX VI – ANNUAL COMPLAINT METRICS

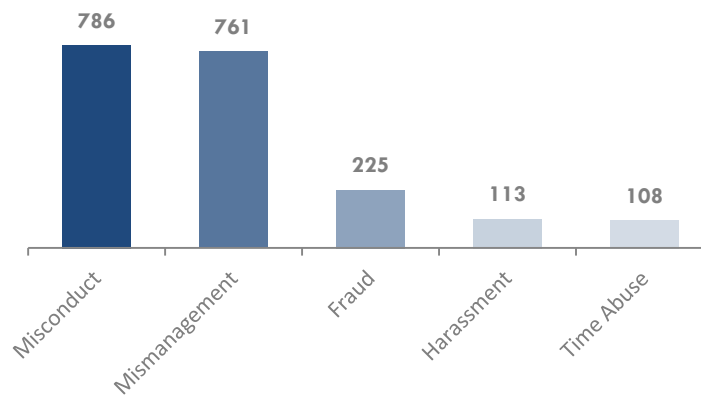
Submittal Method of Complaints Received in FY 2013



Disposition of Complaints Received in FY 2013



Top Five Complaint Types in FY 2013 (number of complaints)



► **APPENDIX VII – FREEDOM OF INFORMATION ACT**

APPLICABILITY:

Under the Ethics Act, the OEIG must keep confidential the identity of a person acting as a source of an allegation (the complainant), unless the individual consents to disclosure (Sec. 20-90(a)). Similarly, the Ethics Act exempts from the Freedom of Information Act all investigatory files and reports of the OEIG (Sec. 20-95(d)).

OEIG OPERATING BUDGET FOR FISCAL YEAR 2013:

\$7,265,100

OEIG OFFICES:

69 W. Washington, Suite 3400
Chicago, IL 60602-9703

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

NUMBER OF OEIG EMPLOYEES:

78 employees as of June 30, 2013

STATE AGENCY WITH LIMITED OVERSIGHT ROLE OVER THE OEIG:

Illinois Executive Ethics Commission

OEIG FOIA OFFICER:

Daniel Hurtado
Special Counsel
Office of Executive Inspector General
for the Agencies of the Illinois Governor
69 W. Washington, Suite 3400
Chicago, IL 60602-9703

PHOTOCOPY COSTS FOR FOIA REQUESTS:

The first 50 black-and-white copies are at no charge; fifteen cents per page for each page thereafter.

► **APPENDIX VIII – REFERENCES ON THE WEB**

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

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

OEIG Monthly Reports

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

Executive Ethics Commission Revolving Door Decisions

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

Publicly Released OEIG Investigative Reports

<http://www2.illinois.gov/oeig/Pages/PublishedOEIGCases.aspx>

OEIG Investigation Policy and Procedures Manual

<http://www2.illinois.gov/oeig/Pages/policy.aspx>

Printed by authority of the State of Illinois

9/2013

400 copies of this annual report for physical distribution were reproduced 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 \$5.32. OEIG P.O. # OE 0014024

An online copy of this report in PDF format may be found at

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



Chicago Office
69 W. Washington St., Suite 3400
Chicago, IL 60602
(312) 814-5600 telephone
(312) 814 -5479 fax

Springfield Office
607 E. Adams St., 14th Floor
Springfield, IL 62701
(217) 558-5600 telephone
(217) 782-1605 fax



report misconduct:

(866) 814-1113 toll-free
(888) 261-2734 TTY
www.inspectorgeneral.illinois.gov