

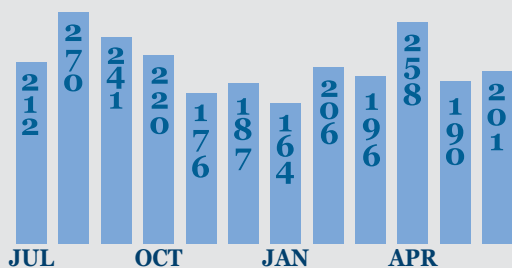


OEIG 2014 ANNUAL REPORT

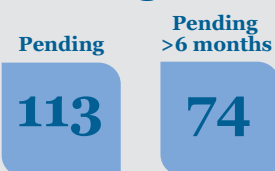
OFFICE OF EXECUTIVE INSPECTOR GENERAL
FOR THE AGENCIES OF THE ILLINOIS GOVERNOR

2014 Highlights

2,521
Total Complaints
Received & Evaluated



Investigations

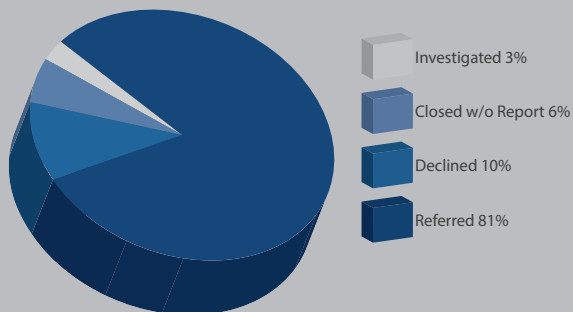


★★★★★
470
Law Enforcement Referrals

Publicly
Disclosed
Reports



Disposition of Complaints



16 Hiring
Monitoring
Cases
Completed

149
Revolving Door
Determinations Made

Total Reports Issued

53

EXECUTIVE INSPECTOR GENERAL'S MESSAGE



September 30, 2014

It is my privilege to report to you concerning the results of our office and employees for Fiscal Year 2014. We continue to focus our limited resources on matters that have the greatest potential to positively affect the state's ethical well-being. We have carefully evaluated each of the more than 2,500 reports of alleged misconduct received during the year and opened investigations into those matters that present significant financial or operational risk to the state. In instances involving criminal activity, we have made referrals to appropriate law enforcement.

During FY14, we concluded 91 investigations, including 24 where we found wrongdoing. The following are examples of our efforts to promote integrity and honesty in public service made public in FY14:

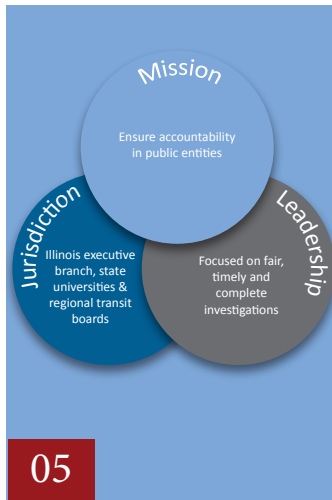
- Our investigation into the Department of Human Services' multimillion dollar Child Care Assistance Program (CCAP) revealed that a single child care provider had improperly obtained more than \$230,000 in state payments as a consequence of lax oversight by DHS. As a result, the department instituted new oversight procedures for all of the program's more than 60,000 providers.
- Our investigation of Rev. Tyrone Crider, a member of the Regional Transportation Authority Board of Directors, found he improperly attempted to use his official position to benefit his personal interests. Rev. Crider resigned prior to the conclusion of the investigation.
- Our investigation of Barry Maram, former director of the Department of Healthcare and Family Services, who allegedly violated the revolving door employment provisions of the Ethics Act, resulted in Mr. Maram's settlement of the matter for \$100,000.
- Our investigation of Department of Labor Inspector Charles Drager found he failed to inspect (among other things) carnival amusement rides, thus jeopardizing public safety. Mr. Drager resigned.
- Our investigation of mismanagement and conflicts of interest by senior managers within the Athletics Unit of the Department of Financial and Professional Regulation resulted in the retirement of the former head of the unit prior to conclusion of the investigation.
- Our investigation of improper hiring practices at the Department of Human Services including its failure to comply with Administrative Orders relating to hiring practices led DHS to require its staff to attend a Rutan training refresher course to ensure proper practices are followed.

These are a handful of examples of our focus on matters that are: complex; significant; systematic; involve abuse of authority or resources, or violations of the Ethics Act; or have the potential to materially influence the future conduct of public employees. They are the types of matters that we will continue to investigate objectively, thoroughly, and as promptly as our resources permit.

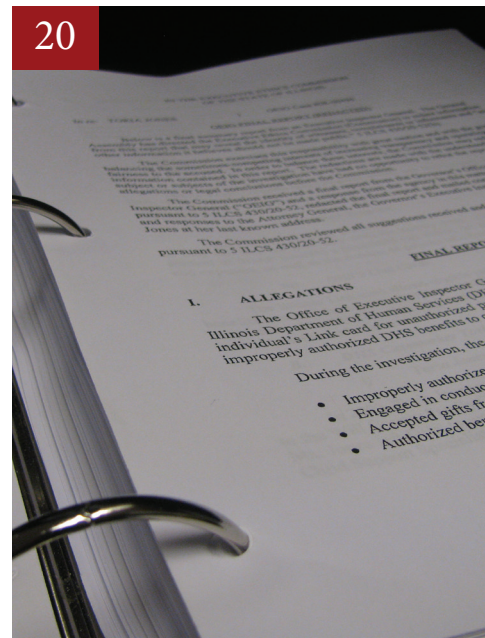
We continue to believe that interests of Illinois citizens are best served when the results of our work are publicly disclosed to the extent permissible by law. In that regard, I hope you will find this report to be helpful in understanding the value of our work.

Ricardo Meza
Executive Inspector General

Contents

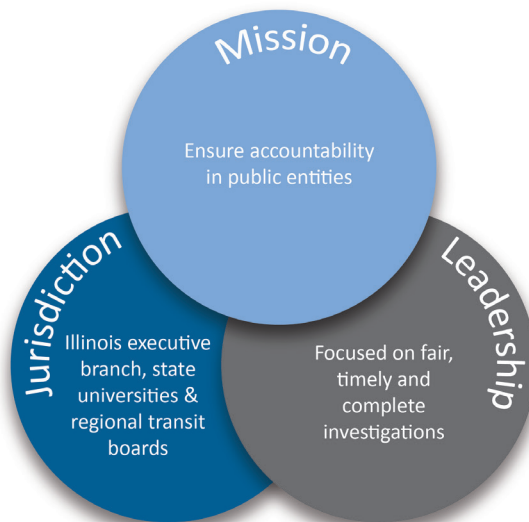


- I. Preface 05
- II. Finances 09
- III. Objectives 12
- IV. Investigations 20
- V. Findings 24
- VI. Results 40



I. PREFACE

The Office of Executive Inspector General for the Agencies of the Illinois Governor (OEIG) derives statutory authority from the State Officials and Employees Ethics Act, which was signed into law on December 9, 2003. The OEIG investigates allegations of fraud, waste, abuse, mismanagement, misconduct, nonfeasance, misfeasance, malfeasance, and violations of the Ethics Act by the employees under its jurisdiction. The OEIG also investigates violations by 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 regional transit boards (the Regional Transportation Authority, the Chicago Transit Authority, Metra, and Pace) comprising more than 170,000 public employees, appointees, and officials.

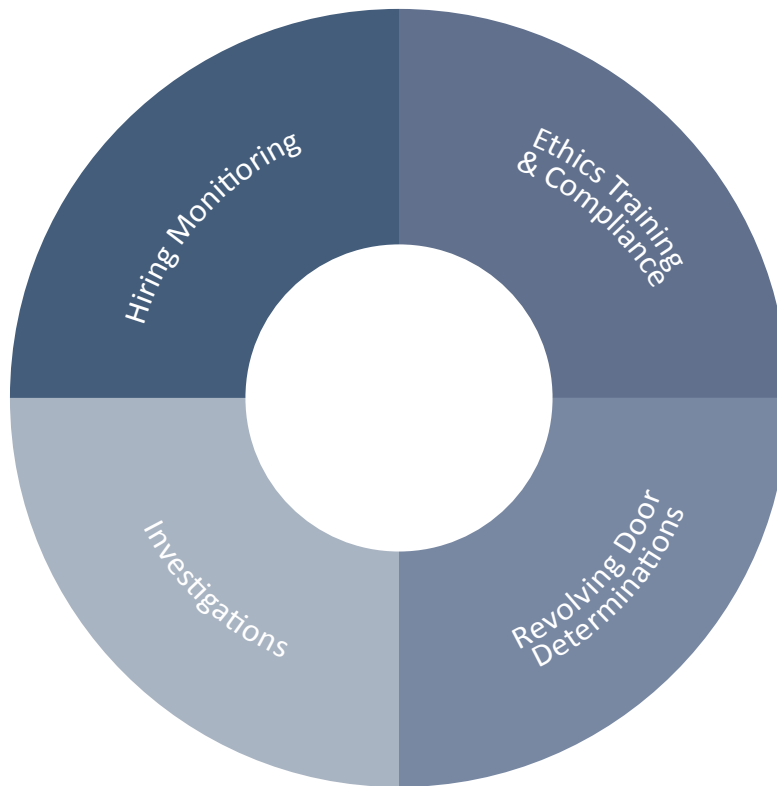
MISSION

The OEIG is an independent executive branch state agency, which ensures accountability in state government, the nine 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

- Ricardo Meza - Executive Inspector General
- David Keahl - Chief of Staff
- Kristy Shores - First Deputy Inspector General
- Daniel Hurtado - General Counsel
- Laura K. Bautista - Deputy Inspector General and Chief of Springfield Division
- Fallon Opperman - Deputy Inspector General and Chief of Regional Transit Board Division

ORGANIZATION AND PROGRAMS AT A GLANCE



The OEIG's four primary functional 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. The OEIG's staff of approximately 75 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 with for example the U.S. Postal Inspection Service, the Office of Inspector General for the U.S. Department of Health and Human Services, the FBI, the U.S. Department of State, and others who have worked for the Internal Revenue Service, and major corporations. Staff also includes 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 staff. The Regional Transit Board Division is dedicated to investigating matters relating to the RTA, the CTA, Metra and Pace, and is funded by the state's Public Transportation Fund. All other OEIG functions and staff are funded by the state's General Revenue Fund.

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, misconduct fraud, mismanagement, and malfeasance. The OEIG welcomes complaints of wrongdoing from state employees, contractors and bidders, regulated entities, and the general public, including from people who wish to remain anonymous. Anyone seeking to report alleged violations may:

- call the OEIG toll-free telephone hotline;
- write to our Springfield or Chicago office;
- visit our website to file a complaint online;
- send us a fax;
- use a telecommunications device for the disabled; or
- visit our Springfield or Chicago office.

The OEIG may also initiate investigations of its own accord. In all instances, the OEIG takes every measure permissible under the law to ensure that the identities of complainants remain confidential.

Allegations received are examined and evaluated to determine appropriate action. Investigators interview witnesses, collect documents, analyze 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 relevant to an investigation. Investigations are governed by the OEIG’s Investigation Policy and Procedures Manual, the Illinois Administrative Code, and all other applicable laws, rules, policies, and regulations.

In FY14, the OEIG evaluated 2,521 complaints, opened 85 investigations and completed 91 investigations, including 24 with findings of wrongdoing. At the close of the fiscal year, 113 investigations remained open.

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 required 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 former public servants who participated in contracting, licensing, or regulatory decisions from immediately accepting employment from an entity affected by those decisions, and to discourage current public servants from leveraging their public positions to advance their own private sector employment interests.

In FY14, the OEIG made 149 revolving door determinations.

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 the hiring and employment files of each state agency under its jurisdiction to ensure compliance with employment laws and procedures. This program’s objective is to ensure that public entity hiring practices are fair and that employment decisions for other than policy, confidential and spokesperson positions are merit-based.

In FY14, the OEIG completed 16 hiring-related investigations and had 14 pending at year-end.

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)

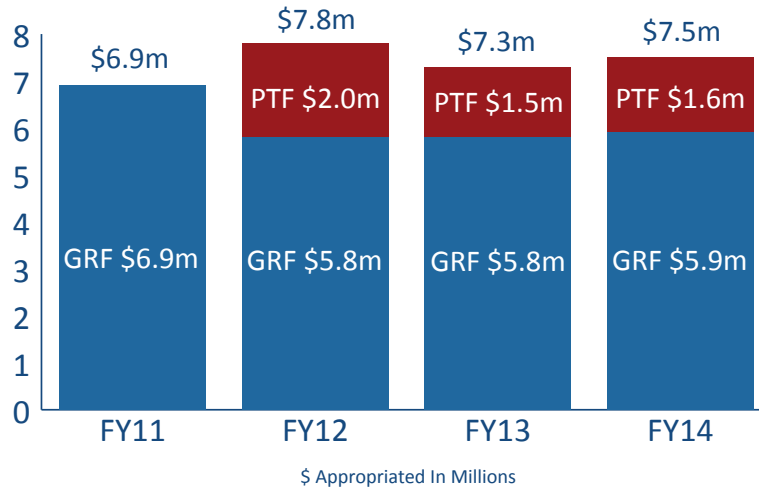
The Ethics Act requires individuals under the OEIG’s jurisdiction to complete ethics training. Specifically, the Ethics Act requires:

- 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 FY14, the OEIG provided oversight to more than 191,000 training sessions of public employees, board members and elected officials, and produced training materials for more than 50,000 employees and officials in agencies directly under the Illinois governor and lieutenant governor.

II. FINANCES

SOURCE OF FUNDS



*FY2012 was the first year the OEIG assumed jurisdiction for the Regional Transit Boards

For FY14, the Illinois General Assembly appropriated a total of \$7.5 million in funding for the OEIG. Of that amount, \$5.9 million was appropriated from the General Revenue Fund (GRF), an increase over FY13 of \$155,000 or 2.7%. The FY14 appropriation of \$5.9 million from the General Revenue Fund nevertheless remains nearly 15% lower than the FY11 appropriation of \$6.9 million from the General Revenue Fund.

For FY14, the General Assembly appropriated to the OEIG \$1.6 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. That marks a \$118,000 or 7.9% increase over FY13; however, the FY14 appropriation from the Public Transportation Fund remains nearly 20% lower than the first OEIG appropriation from the PTF, which was in FY12.

FINANCIAL RESULTS

| OEIG Budget Results | GRF | PTF | Total |
|---------------------|---------|---------|---------|
| Budget FY14 | \$5.9m | \$1.6m | \$7.5m |
| Actual FY14 | \$5.6m | \$1.2m | \$6.8m |
| Variance | (\$0.4) | (\$0.4) | (\$0.7) |

*Totals may not add due to rounding.

Total FY14 expenses were \$6.8 million, including \$1.2 million from the Public Transportation Fund and \$5.6 million from the General Revenue Fund. Staff turnover and hiring lag were the primary reasons that expenditures fell short of appropriated funding.

INTERNAL CONTROLS

“In our opinion, ... the Office of Executive Inspector General... complied, in all material respects, with the compliance requirements...during the two years ended June 30, 2013.”

-Illinois Auditor General's March 6, 2014 Compliance Examination of OEIG for the Two Years Ending June 30, 2013

The OEIG makes every effort to use the state's scarce financial resources effectively and efficiently, and only 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.

| Total Operating Expenses [in thousands] | FY13 | FY14 |
|---|----------|----------|
| Personnel | \$ 5,387 | \$ 5,584 |
| Leases, Vendors and CMS Charge-Backs | 910 | 925 |
| Telecommunications | 128 | 123 |
| Printing and Office Supplies | 51 | 54 |
| Travel and Conferences | 36 | 26 |
| Office Equipment | 14 | 10 |
| Automotive Repairs and Fuel | 11 | 8 |
| Other | 3 | 0 |
| Total | 6,540 | 6,730 |

Personnel-related expenses accounted for nearly 83% of the OEIG's FY14 operating expenses. Costs for office space, payroll charge-backs, and charges for the OEIG's internet-based ethics training technology account for the bulk of the OEIG's other expenses.

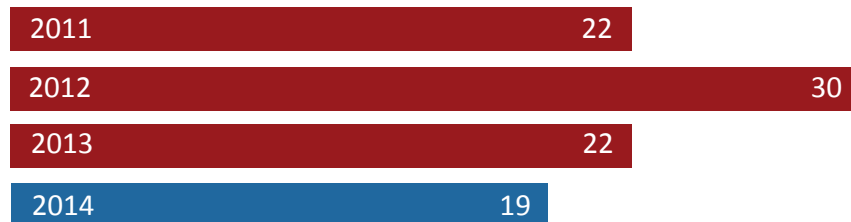
BUDGETING FOR RESULTS

The following metrics provide indicators of OEIG work volumes:

| Performance Indicator | FY11 | FY12 | FY13 | FY14 |
|--|---------|---------|---------|---------|
| Complaints Evaluated | 2,041 | 2,492 | 2,809 | 2,521 |
| Investigations Completed | 231 | 117 | 86 | 91 |
| Publicly Disclosed Reports | 22 | 30 | 22 | 19 |
| Investigations Pending | 102 | 122 | 119 | 113 |
| Investigations Pending ≥ 6 mos. | 48 | 63 | 64 | 74 |
| Hiring Monitoring – Investigations Completed | 36 | 34 | 16 | 16 |
| Revolving Door – Determinations | 117 | 96 | 124 | 149 |
| Ethics Training – Course Sessions | 163,075 | 195,395 | 185,534 | 191,369 |

KEY METRICS

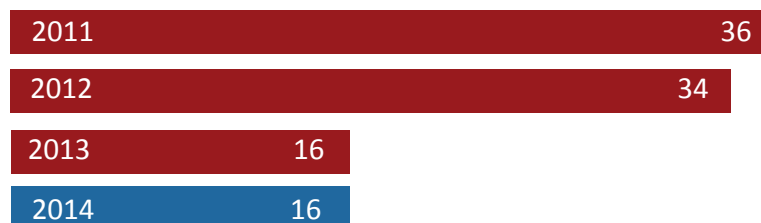
Publicly Disclosed Reports



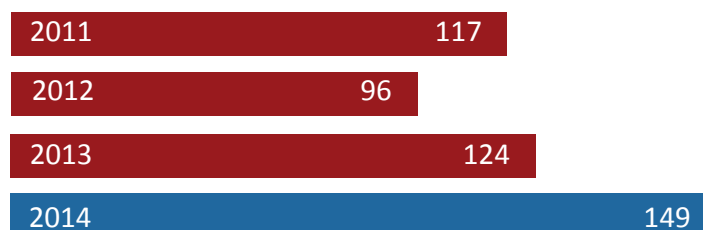
Ethics Training Sessions



Hiring Monitoring Investigations



Revolving Door Determinations



III. OBJECTIVES

“According to the inspector general’s report, Folowell admitted he told the employee to go to Gordon’s home on four or five occasions after receiving instructions to do so from Gordon. The employee reported that she received \$20 tips from Gordon’s wife after cleaning the Gordon home twice while on the clock for NIU.”

-Katie Dahlstrom, “State Report: NIU supervisor required employee to clean boss’s home,” DeKalb Daily Chronicle, June 20, 2014



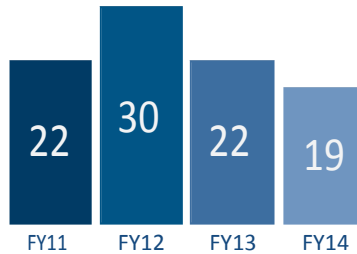
INCREASE TRANSPARENCY IN GOVERNMENT

Only after the State Officials and Employees Ethics Act was amended in 2009 has public disclosure of certain OEIG investigations been permitted. Investigative reports represent the culmination of significant work to determine whether reasonable cause exists to believe a violation of law, rule, policy, or regulation has occurred.

The majority of OEIG investigative reports remain undisclosed. Only the Executive Ethics Commission has the authority to publicly disclose OEIG reports. Public disclosure of OEIG investigative 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 discretion to publicly disclose an executive inspector general’s report in instances where a report’s disclosure is not mandated.

Number of Publicly Disclosed 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.

The news media continues to play an important role in increasing public awareness of matters related to integrity and ethics in governmental entities. In FY14, OEIG investigations were covered by these and other media outlets:

- Northwest Herald
- WSIL TV (Carterville, IL)
- Crain's Chicago Business
- Quad City Times
- WUIS FM
- Daily Herald
- WBBM FM
- Champaign Urbana News-Gazette
- Daily Southtown
- St. Louis Post-Dispatch
- Chicago Sun-Times
- Journal Gazette & Times-Courier
- WBEZ FM
- Chicago Tribune

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 website, monthly electronic newsletter, fraud reporting posters, internship program, and numerous outreach efforts.



Ethics Training

The OEIG has three primary statutory responsibilities related to the legally mandated ethics training for the more than 170,000 employees, appointees and officials under its jurisdiction. The OEIG:

- oversees ethics training in conjunction with the Executive Ethics Commission and in consultation with the Office of the Attorney General;
- sets standards and determines the hours and frequency of training necessary for each employee position or each category of positions under its jurisdiction; and
- monitors employee compliance with the ethics training requirements.

Ethics Officers

The OEIG routinely invites newly designated ethics officers to meet with OEIG staff in order to discuss the administration of state employee ethics training, answer ethics officers' questions, and explain the OEIG's authority, programs and operations. OEIG staff held more than 20 outreach sessions with ethics officers during FY14.

General Outreach Efforts

To improve transparency and promote awareness of the OEIG's functions, OEIG staff members participate in various outreach activities. During FY14, OEIG employees:

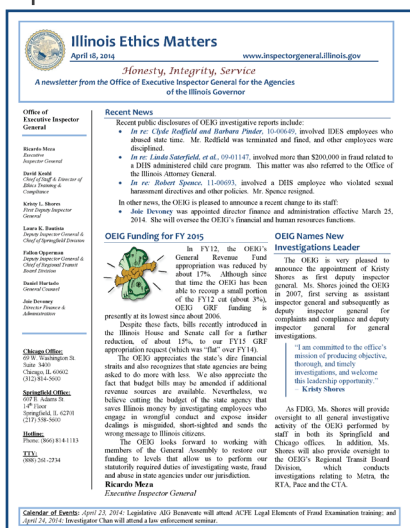
- addressed the Hispanic Illinois State Law Enforcement Association;
- addressed the Illinois Government Bar Association;
- participated in national and local meetings of the Association of Inspectors General;
- spoke at the Illinois Campaign for Political Reform's Celebration of the 10th Anniversary of the State Officials and Employees Ethics Act;
- met with editorial boards of various newspapers;
- met with senior managers of numerous state agencies and state public universities;
- met with members and staff of the General Assembly;
- presented invited testimony to state legislative and regional planning bodies; and
- submitted letters or issued statements to news media regarding pending legislation.

Continuing Legal Education and Other Presentations

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

- Association of Inspectors General, Illinois Chapter Conference, June, 2014;
- Association of Certified Fraud Examiners' Legal Elements of Fraud Examination, April, 2014;
- "Understanding the Role & Impact of Lobbyists in Illinois" panel discussion sponsored by the Illinois Campaign for Political Reform, March, 2014;
- Association of Inspectors General training, San Antonio, Texas, February, 2014;
- State Internal Audit Advisory Board Fall Government Auditing Conference, Springfield, Illinois, October, 2013; and
- Council of the Inspectors General on Integrity & Efficiency (CIGIE) General Investigations Training, Glynco, Georgia, September, 2013.

Electronic Newsletter



The OEIG produces a one-page electronic newsletter, Illinois Ethics Matters, which is distributed monthly. The OEIG delivers Illinois Ethics Matters to individuals at over 300 state agencies, as well as, to interested members of the General Assembly, the news media, and the public. Many recipients, such as state agency ethics officers, redistribute the newsletter throughout their respective organizations.

Newsletters address publicly disclosed investigative reports, public findings related to alleged violations of the Ethics Act, appeals of OEIG revolving door determinations, changes or proposed changes to ethics laws, rules, or policies, and other ethics-related information of interest to the public.

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 FY14, the OEIG employed a total of six investigative and legal interns.

Website

The OEIG's website is frequently updated with information about OEIG reports and investigations, regulatory and case law, and ethics training efforts.

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

OFFICE OF EXECUTIVE INSPECTOR GENERAL
FOR THE AGENCIES OF THE ILLINOIS GOVERNOR
inspectorgeneral.illinois.gov

About the Office | Investigations | Publications, Reporting, and Forms | Complaints | Revolving Door | Ethics | Regional Transit Boards | Employment

This website is intended to provide you with information and resources related to the functions of this office. The menu above provides immediate access to our publicly disclosed investigative reports, related decisions, newsletters and other information. You may file a secure, encrypted online complaint by simply clicking on the following: [online complaint link](#). If you have questions, you may contact us by clicking the following: [online information request](#).

-Ricardo Meza, Executive Inspector General

News and Announcements

- February 6, 2014 - Sun-Times Voices posted an article titled "State ethics watchdog hits state boxing officials for 'incompetence'."
- February 6, 2014 - Chicago Tribune posted an article titled "State report: Boxing regulators ran dysfunctional agency."
- February 3, 2014 - Redacted summary report for OEIG cases [11-00289](#) and [11-01820](#) (in re Joel Campuzano and Ron Pucillo) released.
- January 30, 2014 - EEC released a disciplinary decision in [Meza v. Brown, 14EEC003](#).
- January 22, 2014 - OEIG released the January edition of the Illinois Ethics Matters newsletter.
- January 16, 2014 - Daily Herald ([dailyherald.com](#)) posted an editorial article titled "Editorial: Fix whistleblower law to boost safety."
- January 15, 2014 - Daily Herald ([dailyherald.com](#)) posted an article titled "Singing state worker kept on day job a year after filing false report."
- January 9, 2014 - EEC released a disciplinary decision in [Meza v. Redfield, 14EEC004](#).
- January 6, 2014 - OEIG's report to the General Assembly regarding expenses incurred while serving as inspector general for the RTBs submitted.
- January 3, 2014 - EEC released a disciplinary decision in [Meza v. Caffey, 13EEC021](#).

OEIG in the NEWS | **File OEIG Complaint** | **EXECUTIVE ETHICS COMMISSION** | **BLOW THE WHISTLE**

Recently Published OEIG Cases

- [11-00289 and 11-01820 Campuzano and Pucillo 01.31.14.pdf](#)
- [11-00106 Hall-Harbin 12.19.13.pdf](#)
- [11-02060 Montgomery 11.20.13.pdf](#)
- [12-00039 Cobb 10.23.13.pdf](#)
- [12-01980 Dudek 09.20.13.pdf](#)

Recent Newsletters

- [Newsletter January 22, 2014.pdf](#)
- [Newsletter December 19, 2013.pdf](#)
- [Newsletter November 20, 2013.pdf](#)
- [Newsletter October 16, 2013.pdf](#)
- [Newsletter September 16, 2013.pdf](#)

What's New?

- [Newsletter/News](#)
- [OEIG Homepage](#)
- [Monthly Reports](#)
- [Publicly Released OEIG Summary Reports of Investigation](#)
- [Ethics Officers](#)

Recently Released EEC Decisions

- [14EEC003 Brown 01.23.14.pdf](#)
- [14EEC004 Redfield 12.18.13.pdf](#)
- [13EEC021 Caffey 12.18.13.pdf](#)
- [13EEC011 Cameron 04.10.13.pdf](#)
- [13EEC005 Thurston 01.23.13.pdf](#)

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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 OEIG policies and procedures.

Investigative staff members, in particular, receive continuous instruction concerning laws and policies, as well as investigative tools and techniques. During FY14, 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.

CONDUCT INVESTIGATIONS ON A TIMELY BASIS

The OEIG works diligently to conclude investigations in a timely manner. Lengthy investigations may be necessary in order to complete unusually complex matters, but the OEIG makes every effort to complete 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 to 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 FY10.

Number of Pending Investigations at the End of the Year

| | FY10 | FY11 | FY12 | FY13 | FY14 |
|-----------------------------------|------|------|------|------|------|
| Pending Investigations | 264 | 102 | 122 | 119 | 113 |
| Pending Investigations ≥ 6 months | 101 | 48 | 63 | 64 | 74 |

In some instances, the complexity of an investigation or other factors result in the allocation of significant time and resources to a particular investigation. These factors may include:

- the size and scope of the alleged wrongdoing, which can include multiple agencies or contracts;
- the unavailability of key witnesses;
- coordination with and/or deference of investigations to other law enforcement agencies; and
- the failure by witnesses, contractors or agencies to cooperate with the investigation.

The above factors may cause the OEIG to:

- issue subpoenas to reluctant witnesses;
- interview a large number of witnesses;
- review voluminous documents and other evidence;
- expand the scope of an investigation as additional evidence is found;
- analyze significant amounts of financial or other data;
- conduct forensic analysis of computer equipment;
- conduct surveillance of investigative subjects;
- defer investigative actions at the request of law enforcement authorities;
- resolve disputed requests for documents or other evidence;
- resolve legal challenges to OEIG authority; and
- seek court enforcement of an OEIG subpoena.

FUNCTION AS EXECUTIVE INSPECTOR GENERAL FOR THE REGIONAL TRANSIT BOARDS

The OEIG has exclusive jurisdiction to investigate alleged violations of the Ethics Act involving transit boards and at its discretion may investigate other complaints or allegations of misconduct involving the four regional transit boards (i.e., the RTA, the CTA, Metra and Pace). 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.

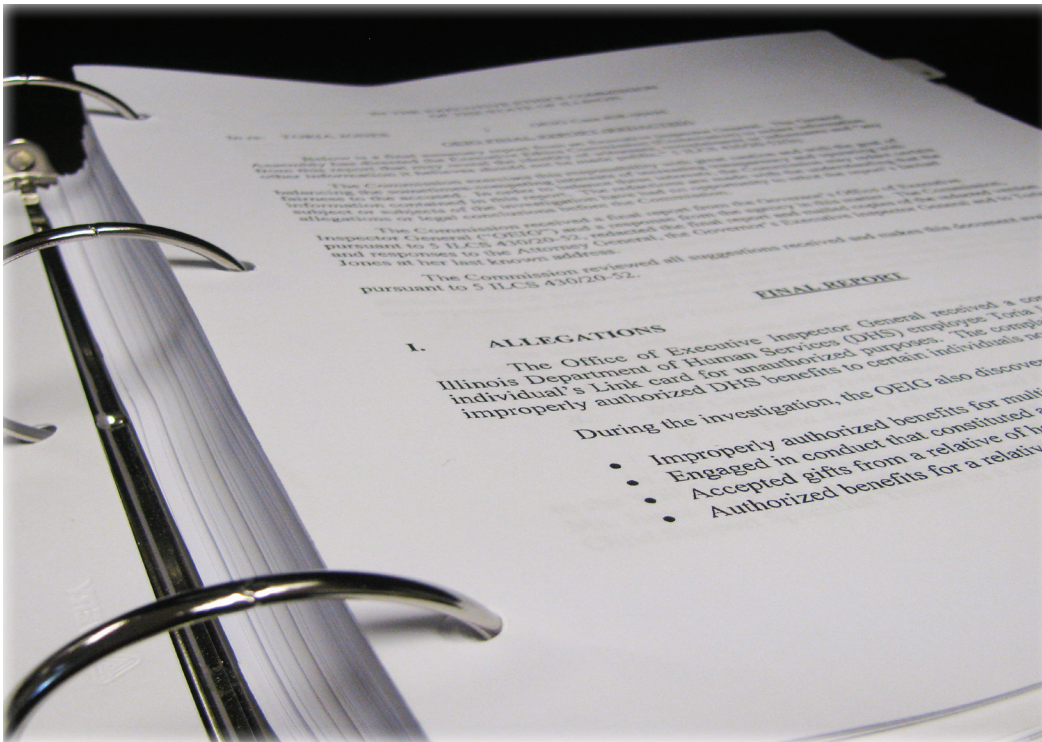
Beginning in December 2011, the General Assembly appropriated money from the Public Transportation Fund for the OEIG's transit board-related duties. These funds are dedicated to the OEIG's Regional Transit Board (RTB) Division, which is solely devoted to investigating allegations of fraud, waste, and abuse involving a regional transit board. Led by a deputy inspector general and chief, the division includes a deputy chief, assistant inspectors general and investigators who have over 40 years of combined investigative experience.



During FY14, the RTB Division:

- reviewed and analyzed 409 complaints;
- opened 14 investigations;
- closed 18 investigations; and
- had 17 investigations pending at year's end.

IV. INVESTIGATIONS



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 as appropriate. In accordance with state law, OEIG reports are generally only provided to the 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. 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, such as an employee who has engaged in prohibited political activity or failed to cooperate with an OEIG investigation, the OEIG also has the discretion to request that the Office of the Attorney General file a complaint regarding the matter with the Executive Ethics Commission. If a complaint is filed and if the EEC rules in favor of the OEIG, the EEC may impose a financial penalty of up to \$5,000. See pages 37-39 for a summary of matters in which the EEC issued a disciplinary decision and fine.

PROCESS AND PERFORMANCE

During FY14, the OEIG received 2,521 complaints. Within 30 days of its receipt, each complaint must be evaluated. The initial evaluation results in the OEIG taking one of the following actions:

- initiating an investigation,
- referring the matter to another agency, or
- declining the matter.

The OEIG opened 85 investigations in FY14, including five based on allegations received in FY13. An OEIG investigation is often a significant undertaking. Some investigations resulted from a single allegation, while in other instances the OEIG combined several allegations that proved to be related.

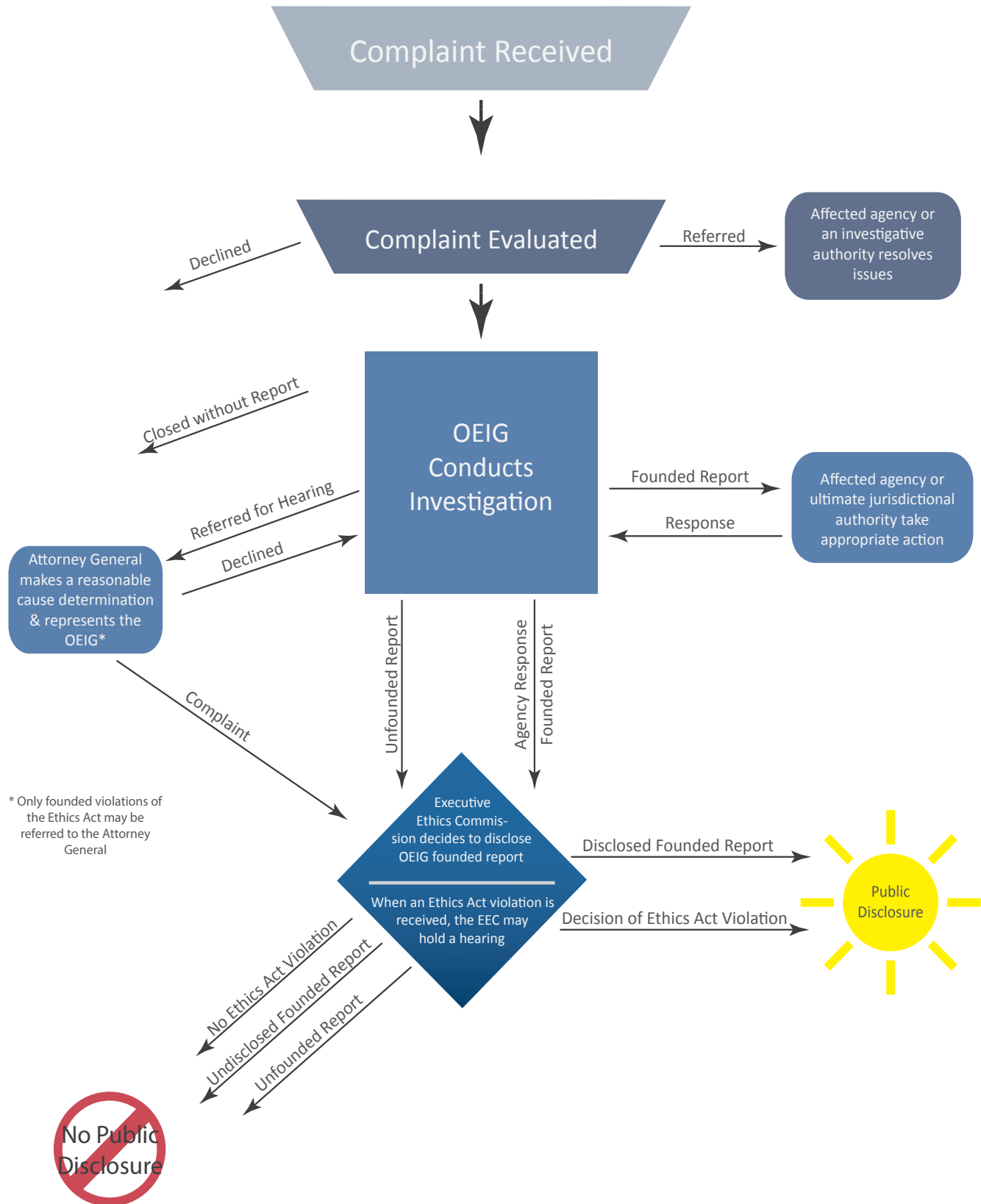
Many matters evaluated by the OEIG are referred to the affected public agency. Referrals occur when the OEIG lacks jurisdiction or, most often, when an allegation relates to employee conduct that does not rise to a violation of statute or rule but nonetheless warrants the attention of a public employer. Allegations of a criminal nature may be referred to law enforcement.

Where no violations or improper actions are apparent, the matter may be declined.

| Disposition of Complaints Received* | FY13 | FY14 |
|--------------------------------------|------|------|
| Opened Investigation | 120 | 80 |
| Declined | 348 | 256 |
| Referred | 2198 | 2040 |
| Closed without Report/Pending Review | 143 | 145 |
| Total Received | 2809 | 2521 |

*This particular table reflects only the disposition of complaints received during the given fiscal year. During FY14 the OEIG opened 80 investigations related to complaints received in FY14. In addition, 5 investigations were opened based on complaints received in FY13.

INVESTIGATION AND DISCLOSURE PROCESS



OEIG RECOMMENDATIONS

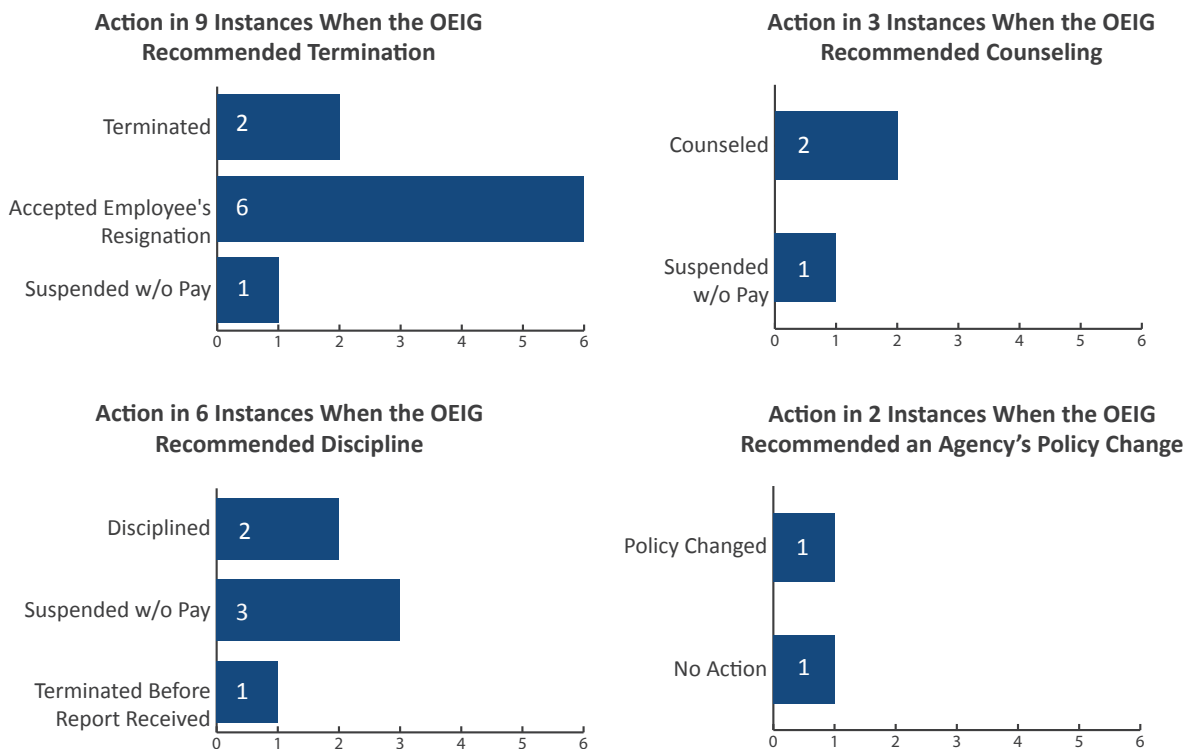
When an investigation is completed, the OEIG issues a written report which documents:

- the allegations of wrongdoing;
- facts confirmed by the investigation including, as appropriate, risks to the state and the general public;
- 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;
- employee counseling;
- nonspecific employee disciplinary action; or
- change of agency policy or practice.

Agency Responses to OEIG Recommendations



V. FINDINGS

PUBLICLY DISCLOSED INVESTIGATIVE REPORTS

Over the course of FY14, the OEIG issued 53 reports, including 24 reports with findings of violations relating to: waste, fraud, misconduct, mismanagement, and malfeasance, along with violations of the State Officials and Employees Ethics Act, the 1990 *Rutan* decision, and other laws and rules. At the conclusion of these investigations, the OEIG is authorized to make recommendations for corrective or disciplinary action.

The OEIG is not authorized by law to release its reports to the public; only the Executive Ethics Commission has that authority. The Executive Ethics Commission made 19 OEIG reports public in FY14. Summaries of these public reports, categorized by the primary type of misconduct revealed, follow.

ABUSE OF STATE RESOURCES

“[Ms. Hall-Harbin’s] disability certificates appeared suspicious because the doctors’ signatures and the dates on the forms looked as though they had been ‘whited-out.’”

In re: Holly Hall-Harbin, Case # 11-00106

On December 19, 2013, a redacted version of an OEIG report regarding former Department of Human Services (DHS) employee Holly Hall-Harbin became public. The OEIG investigation determined that Ms. Hall-Harbin engaged in misconduct when she:

- fraudulently used state compensated time;
- submitted falsified disability certificates; and
- misrepresented receiving medical treatment.

The OEIG recommended that Ms. Hall-Harbin be terminated and DHS seek reimbursement for wages received while she was on falsified workers’ compensation leave time. DHS terminated Ms. Hall-Harbin.

In re: Heidi Scott, Case # 11-00955

On July 23, 2013, a redacted version of an OEIG report concerning Illinois Department of Revenue (IDOR) Staff Attorney Heidi Scott became public. The OEIG investigation found that Ms. Scott:

- used state equipment for non-IDOR departmental business, namely a personal lawsuit against IDOR.

The OEIG recommended that Ms. Scott be disciplined. IDOR suspended Ms. Scott without pay for 20 days.

In re: Mark Montgomery, Case # 11-02060

On November 20, 2013, a redacted version of an OEIG report concerning Department of Corrections (DOC) employee Mark Montgomery became public. The OEIG investigation found that Mr. Montgomery:

- routinely abused state time by failing to notify his supervisor of absences, failing to submit appropriate absence forms, and providing false information about his work hours; and
- used a state vehicle for reasons other than official state business.

During the three days he was under surveillance, Mr. Montgomery claimed to have worked for the state for 22 hours and 30 minutes but was in fact properly on site for just 3 hours and 23 minutes. Mr. Montgomery abused over 150 hours of state time, which resulted in a loss of approximately \$6,450 to the state.

The OEIG recommended that Mr. Montgomery be discharged and that DOC seek reimbursement for the abuse of state time and the misuse of a state vehicle. Additionally, the OEIG referred the matter to the Office of the Illinois Attorney General due to state losses in excess of \$5,000. Mr. Montgomery resigned in lieu of discharge.

In re: Denise Cobb, Case # 12-00039

On October 23, 2013, a redacted version of an OEIG report concerning Chicago Transit Authority (CTA) Bus Operator Denise Cobb became public. The OEIG investigation found that Ms. Cobb:

- engaged in secondary employment while taking medical leave; and
- failed to obtain permission from the CTA prior to engaging in secondary employment.

The OEIG recommended that Ms. Cobb be disciplined. The CTA terminated Ms. Cobb prior to its receipt of the OEIG report.

In re: Angel Zapata, Case # 12-00848

On March 3, 2014, a redacted version of an OEIG report concerning Chicago Transit Authority (CTA) Bus Operator Angel Zapata became public. The OEIG investigation found that Mr. Zapata:

- engaged in secondary employment while taking medical leave; and
- failed to obtain permission from the CTA prior to engaging in secondary employment.

The OEIG recommended that Mr. Zapata be disciplined. The CTA terminated Mr. Zapata.

“[W]hen investigators conducted surveillance on these three days, Mr. Montgomery was seen at his office during his scheduled work hours for a total of 3 hours and 23 minutes... The records revealed that Mr. Montgomery[’s]... time sheets [claimed] he worked a total of 7.5 hours on each of those days, or a total of 22 hours and 30 minutes.”

“...Mr. Drager’s extensive misconduct was repeated, multi-faceted, and extended for years, resulting in a monetary loss to the State.”

In re: Charles Drager, Case # 11-00621

On July 23, 2013, a redacted version of an OEIG report concerning Department of Labor (DOL) Amusement Ride Inspector Charles Drager became public. The OEIG investigation found that Mr. Drager:

- submitted false documents indicating that he had inspected amusement park rides, ski lifts, bounce houses and the like when in fact he had not;
- submitted false travel vouchers, timekeeping forms and other records;
- failed to report or seek permission for his outside employment; and
- made false statements on his Statement of Economic Interests filing.

In addition to jeopardizing public safety, the OEIG estimated that the monetary loss to the state exceeded \$1,650.

The OEIG recommended Mr. Drager be terminated and that the inappropriately paid funds be recovered. Mr. Drager resigned his position. DOL requested that all inappropriately obtained expense reimbursements and wages be returned to the state.

In re: Clyde Redfield and Barbara Pinder, Case #10-00649

On March 31, 2014 a redacted version of an OEIG report concerning Department of Employment Security (IDES) Assistant Regional Manager Clyde Redfield and Regional Manager Barbara Pinder became public. The OEIG found numerous violations of IDES policy by both Mr. Redfield and his subordinates. Mr. Redfield:

- abused state time by completing his homework and directing his subordinates to complete his homework on state time;
- abused state property by using office equipment to complete his homework;
- behaved in an unprofessional and discourteous manner; and
- failed to cooperate with an OEIG investigation by knowingly providing false statements.

The OEIG further determined that Ms. Pinder:

- abused time by engaging in non-state work during work hours;
- abused state property by using office equipment to complete non-state work; and
- conducted herself in an discourteous and unprofessional manner, that would bring IDES into disrepute.

“ [Employee 1] ... stated that when Mr. Redfield requested her assistance with his schoolwork during work hours, she felt a sense of urgency, because the material was typically due that evening and he expected her to stop performing her IDES work immediately to work on his schoolwork. She stated that he often sent school assignments via email, then walked over to her office and explained what he wanted her to do with a particular assignment.”

The OEIG recommended that Mr. Redfield be terminated. The OEIG further recommended that Ms. Pinder be disciplined and that Mr. Redfield's subordinates be counseled. Mr. Redfield resigned. The department suspended Ms. Pinder for 14 days. Finally, IDES counseled Mr. Redfield's subordinates.

In re: George Reid, Case # 12-00140

On June 18, 2014, a redacted version of an OEIG report into the conduct at the Illinois Board of Higher Education (IBHE) became public. The OEIG investigation found that former Executive Director Dr. George Reid:

- commandeered a state-owned vehicle for extended periods of time, causing IBHE to pay more than \$6,500 in unnecessary car rental fees; and
- failed to institute policies to protect IBHE funds from waste.

During the course of the investigation, Dr. Reid and IBHE entered into a settlement agreement whereby Dr. Reid was paid three months' salary upon leaving IBHE, more than his contract called for in the event of a voluntary departure. The OEIG concluded that IBHE's statement that Dr. Reid stepped down for personal reasons, did not state the true reasons for Dr. Reid's departure. The OEIG recommended that IBHE place a copy of its report in Dr. Reid's personnel file, that IBHE avoid making inaccurate or misleading public statements about employee settlements, and that the Office of the Governor develop a policy on such statements. In response, the Office of the Governor said it would explore the creation of a policy on employee separation statements and agreements.

"IBHE added a clause to Dr. Reid's separation agreement to 'make sure there are no press issues that he is being paid for services not performed...'"

In re: Tom Folowell, Case # 12-01622

On June 18, 2014, a redacted version of an OEIG report regarding the conduct of Northern Illinois University (NIU) employees became public. The OEIG investigation found that NIU's Convocation Center Director of Operations Tom Folowell knowingly:

- directed an NIU employee to clean the house belonging to his NIU supervisor during the employee's regularly scheduled work hours.

The OEIG recommended that NIU discipline Mr. Folowell. Upon receipt of the OEIG report and findings, NIU suspended Mr. Folowell for 7 days without pay.

SEXUAL HARRASSMENT

In re: Robert Spence, Case # 11-00693

On March 31, 2014, a redacted version of an OEIG report concerning former Department of Human Services (DHS) Caseworker Robert Spence became public. The OEIG investigated several complaints of inappropriate behavior by Mr. Spence. The OEIG concluded that Mr. Spence:

“The OEIG made several findings against Mr. Spence including findings that he sexually harassed DHS clients and employees...”

- violated DHS’ sexual harassment policy through his conduct with DHS clients & coworkers;
- engaged in conduct that adversely affected public confidence; and
- misused state time and resources.

The OEIG recommended that Mr. Spence be terminated, that a copy of the report be placed in his file, and that he not be eligible for future state employment. Mr. Spence resigned before he was terminated by DHS, with no right to future state employment.

CONFLICT OF INTEREST

In re: Toria Jones, Case # 08-00494

On September 20, 2013, a redacted OEIG report concerning former Department of Human Services (DHS) employee Toria Jones became public. The OEIG determined that Ms. Jones:

- misappropriated food stamp benefits for personal use;
- improperly authorized state benefits for friends and relatives;
- engaged in conduct that constituted a conflict of interest; and
- inappropriately accepted gifts.

The OEIG recommended that Ms. Jones be terminated, and that DHS review the files of certain DHS clients whose benefits were approved by Ms. Jones to reconcile any errors and recover overpayments. Ms. Jones transferred from DHS to the Department of Healthcare and Family Services (HFS) during the course of the investigation. HFS terminated Ms. Jones.

In re: Anthony Dudek, Case # 12-01980

On September 20, 2013, a redacted version of an OEIG report concerning Chicago Transit Authority (CTA) Bus Maintenance Manager Anthony Dudek, became public. The report found that Mr. Dudek engaged in activity unbecoming of a CTA employee when he:

- inappropriately asked a CTA bus maintenance contractor, who he supervised, to repair his daughter’s car;
- inappropriately allowed a CTA contractor to repair his daughter’s car;
- directed the creation of a false document to conceal work done; and
- intentionally presented the false document to the CTA inspector general.

“[T]he investigation revealed that Mr. Dudek had his daughter’s car repaired at... a subcontractor to a CTA vendor... [and furthermore that] Mr. Dudek intentionally asked [the subcontractor] to create a false invoice...”

The OEIG recommended that CTA discipline Mr. Dudek and reconsider his then recent promotion. The CTA suspended Mr. Dudek without pay for three weeks, followed by one year of probation. Additionally, Mr. Dudek is not to have contact or dealings with the CTA contractor for the remainder of his CTA career.

In re: Ruddy Ortiz and Maria Lazic, Case #11-00434

On September 10, 2013, a report regarding former Deputy Director of the Central Management Services' (CMS) Business Enterprise Program (BEP) Ruddy Ortiz, and BEP employee, Maria Lazic, became public. The OEIG report found that Mr. Ortiz:

- improperly accepted a gift in exchange for the performance of his state duties;
- used his official position for personal gain;
- engaged in conduct unbecoming of a state employee;
- abused state time and resources; and
- filed an inaccurate 2011 Statement of Economic Interests form.

Prior to the conclusion of the investigation, Mr. Ortiz took a position with the Department of Human Services, and was discharged from that position prior to the close of the OEIG investigation. The Department of Human Services placed a copy of the OEIG report in his personnel file that stipulated that Mr. Ortiz would not be rehired, as recommended by the OEIG.

Ms. Lazic was found to have abused state time and resources and engaged in conduct unbecoming of a state employee. The OEIG recommended that she be disciplined. She was issued a 30-day suspension.

In re: Tyrone Crider, Case # 12-02289

On February 19, 2014, a redacted version of an OEIG report concerning Regional Transportation Authority (RTA) Board Member Tyrone Crider became public. The OEIG report found that Rev. Crider:

- failed to disclose a debt of more than \$90,000, despite being obligated to do so on his annual financial disclosure form pursuant to RTA's Ethics Policy;
- failed to disclose his interest in a bank he repeatedly encouraged the RTA to invest in; and
- improperly asked the chief of staff of the RTA, who is related to the Illinois attorney general, to intercede on Rev. Crider's behalf with regard to an investigation into alleged financial irregularities at a non-profit Rev. Crider had established.

"The OEIG also discovered that Rev. Crider requested a high-ranking RTA employee to contact the Illinois Attorney General Lisa Madigan to 'take care of' a matter involving the AG's efforts to recover \$91,000 in grant funds Rev. Crider received from a state agency"

Rev. Crider resigned from the RTA board during the course of the OEIG investigation. The OEIG recommended that Rev. Crider not receive appointments to state agency governmental bodies under the jurisdiction of the Illinois governor, and that RTA execute acknowledgment forms regarding RTA Ethics Policy for appointed directors. The Office of the Governor concurred with the OEIG. Additionally, the RTA now executes acknowledgment forms regarding the receipt of all policy, statutes, ethics and training materials board members receive.

CONFLICT OF INTEREST/MISMANAGEMENT

“The OEIG’s investigation revealed that both Mr. Campuzano and Mr. Puccillo, despite having served in their positions for years, were inexplicably unaware of various legal requirements relating to their job duties...”

In re: Joel Campuzano and Ron Puccillo, Cases # 11-00289 & # 11-01820

On January 31, 2014, a redacted version of an OEIG report concerning Executive Manager of the Department of Financial and Professional Regulations’ (DFPR) Athletics Unit, Joel Campuzano, and the former director of the DFPR Athletics Unit Ron Puccillo was released. The OEIG found that Mr. Campuzano:

- failed to know and enforce applicable laws and policies;
- mismanaged the Athletics Unit;
- failed to maintain adequate records;
- allowed his brother to serve as a judge while his father worked as a second for a boxer managed by a close friend;
- reviewed and approved a license application for his own father and for a boxer sponsored by his good friend;
- allowed ringside seating for his family; and
- permitted fees to be charged and collected when those fees were not authorized by the Boxing Act.

The OEIG recommended that Mr. Campuzano be terminated. DFPR attempted to institute a discharge and, following a union grievance process, Mr. Campuzano was suspended for 10 days and then reinstated as a public service administrator.

The OEIG investigation determined that Mr. Puccillo breached DFPR policies when he:

- failed to enforce applicable laws and policies;
- failed to maintain adequate records;
- permitted fees to be charged and collected when those fees were not authorized by the Boxing Act;
- created an appearance of impropriety by allowing Mr. Campuzano to violate multiple DFPR policies such as engaging in a conflict of interest;
- allowed officials who were not properly licensed to preside over a boxing event; and

- engaged in conduct unbecoming of an DFPR employee by his public mismanagement of the Athletics Unit.

Mr. Pucillo retired before the investigation was closed. The OEIG recommended that a copy of the OEIG report be placed in his file, which DFPR agreed to do.

MISMANAGEMENT

In re: Linda Saterfield, et al., Case # 09-01147

On April 7, 2014, a redacted version of an OEIG report concerning oversight of non-contracted child care providers by the Department of Human Services (DHS) and Division of Family and Community Services Director Linda Saterfield, became public. The OEIG's investigation revealed that, in the instance of 1 of over 60,000 non-contracted child care providers under DHS oversight, the provider:

- improperly certified 100% child attendance on reports required to justify state payments; and
- improperly billed the state \$232,584.48 for child care services in relation to children who were not in attendance.

The OEIG investigation further found that Ms. Saterfield:

- failed to adequately oversee the Child Care Assistance Program (CCAP), with its approximately 60,000 providers.

The OEIG recommended that the child care provider be removed from CCAP, and that DHS seek reimbursement. DHS removed the child care provider from CCAP and is seeking reimbursement of all overpayments.

The OEIG recommended that DHS take appropriate action with regard to Ms. Saterfield. DHS reprimanded Ms. Saterfield.

Additionally, DHS implemented new measures for 100% Certification Billing Verification Process, which resulted in a decrease of improper 100% attendance records, like those submitted by the child care provider identified in the investigation.

FAILURE TO COOPERATE

Several public cases involved findings that state employees failed to cooperate with OEIG investigators in violation of the State Officials and Employees Ethics Act. In addition to the case below, see also *In re: Clyde Redfield and Barbara Pinder*, Case #10-00649 and *In re: Donnell Anderson-Watkins and Sammie Watkins*, Case # 12-02104

"This investigation has also revealed that non-contracted providers present a substantial risk for loss of [state] funds."

“IDHR Investigator Derrick Venton... asked IDHR Mediator Toye Barfield ‘to make sure [redacted] gets a settlement of at least \$10,000 but if [the mediator] could push it to at least \$12,000, there may be something in it for her.’”

In re: Derrick Venton, et al., Case # 11-00384

On July 23, 2013, a redacted version of an OEIG report into the conduct of four Illinois Department of Human Rights (IDHR) employees became public. The OEIG investigation found IDHR Investigator Derrick Venton:

- attempted to influence the outcome of a mediation for personal gain;
- knowingly entered into a conflict of interest; and
- made false statements to OEIG investigators.

The OEIG investigation found that IDHR Investigator Edward McCann, and IDHR Mediators Toye Barfield and Vanessa Leon failed to comply with IDHR policy regarding reporting of inappropriate activity of IDHR employees. The investigation further found that Mr. McCann failed to cooperate with the OEIG investigation.

Because Mr. Venton had resigned prior to the conclusion of the investigation, the OEIG recommended that a copy of the OEIG report be placed in Mr. Venton’s file and that he not be rehired. His resignation was processed as separated with no right to reinstatement with the State of Illinois and a copy of the OEIG report was placed in his personnel file.

The OEIG recommended that the Mr. McCann and Ms. Barfield be disciplined, and that Ms. Leon receive counseling. IDHR suspended Ms. Barfield for ten days, Mr. McCann for five days, and Ms. Leon for one day.

Additionally, IDHR conducted a mandatory staff meeting where OEIG General Counsel Daniel Hurtado and then Deputy Inspector General Kristy Shores gave a presentation on the Ethics Act and the duties of employees to cooperate with OEIG investigations.

FRAUDULENT ACTIVITY

In re: Donnella Anderson-Watkins and Sammie Watkins, Case # 12-02104

On June 18, 2014 a redacted version of an OEIG report into the conduct of two Chicago Transit Authority (CTA) employees became public. The OEIG investigation found that CTA Bus Operators Donnella Anderson-Watkins and Sammie Watkins, a married couple:

- fraudulently withdrew funds from their CTA retirement accounts; and
- attempted to withdraw funds from the retirement account of at least one other CTA employee.

The OEIG also found that Mr. Watkins failed to cooperate with the OEIG investigation. The OEIG recommended that Mrs. Anderson-Watkins and Mr. Watkins be terminated. They resigned prior to their termination. A copy of the final report was placed in their employee personnel files to prevent future

consideration for rehire.

The CTA filed a lawsuit against Mrs. Anderson-Watkins for fraud when she took short-term disability to serve a jail sentence for a felony tax fraud conviction. Due to CTA's failure to identify Mrs. Anderson-Watkins' conviction after completing her background check in 2010, the OEIG recommended that the CTA train its employees to read, identify and decipher background checks. The CTA Human Resources Department enlisted companies and state agencies to train CTA employees on how to properly analyze background checks.

RUTAN COMPLIANCE

A series of U.S. Supreme Court rulings, including the 1976 *Elrod v. Burns* decision and the 1990 *Rutan v. Republican Party of Illinois* decision, established the broad principle that hiring or firing most public employees cannot be based on the employee's political affiliation. Illinois now manages most employment decisions under the requirements of several Administrative Orders that are designed to remove political affiliation from the employment process, in accord with those court rulings.

In re: Elizabeth Sarmiento, et al., Case # 11-00952

On March 3, 2014, a redacted version of an OEIG report concerning hiring practices at the Department of Human Services (DHS) became public. The OEIG investigation found that:

- DHS Director of Human Resources Elizabeth Sarmiento, and BHR Northern Selection Supervisor Daniel Ojeda, failed to fully implement Administrative Order No. 2 (2009) when they allowed interviews for *Rutan*-covered positions to be conducted by only one *Rutan*-certified interviewer.
- DHS Human Resources Specialist Yazmin Cruz used DHS time and resources for non-work related purposes.

The OEIG recommended that Sarmiento and Ojeda be disciplined and that Cruz be counseled. The OEIG also recommended that the Office of the Governor undertake appropriate measures to implement the procedures mandated by the Administrative Orders. In response, DHS issued a verbal reprimand to Ms. Sarmiento and to Mr. Ojeda. Ms. Sarmiento subsequently resigned. Ms. Cruz was counseled and DHS sent a memo to staff about adhering to all administrative orders.

Finally, among the other requirements under Administrative Order No. 2, the CMS refresher course for re-certification was not available until three years after the directive was issued. The OEIG recommended that the Office of the Governor take greater diligence in planning the implementation of administrative orders by ensuring that there are adequate financial and personnel resources available.

"The investigation revealed that, although Mr. Ojeda received Administrative Order No. 2 in December, 2009, he allowed Ms. Cruz to conduct non-panel interviews for a *Rutan*-covered position."

REVOLVING DOOR APPEALS

The revolving door prohibition of the State Officials and Employees Ethics Act limits the future employment choices of certain public employees. Some state employees involved in contracting, regulatory or licensing decisions, together with immediate family members who live with them, are prohibited for one year after they leave state employment from accepting employment with a person or entity to which they personally and substantially participated in a contract, regulatory or licensing decision. The OEIG is charged with enforcing the revolving door prohibition.

Certain public employees who receive an employment offer during state employment or within a one-year period after leaving state employment are obligated to notify the OEIG, so that the OEIG may determine if the revolving door prohibition applies. The OEIG then has 10 calendar days to determine if the former state employee personally and substantially participated in contract, regulatory or licensing decisions that directly applied to the prospective employer in the year prior to leaving state employment. If the employee, or the attorney general, disagrees with the OEIG's determination, he or she may appeal to the Executive Ethics Commission (EEC).

In FY14, the OEIG received 166 requests for determinations, and issued 149 determinations. Some requests were subsequently withdrawn. These determinations are not made public unless the employee or the attorney general appeals an OEIG determination to the EEC; an OEIG determination becomes public when the EEC issues a decision in response to an appeal. Just four OEIG determinations were appealed to the EEC in FY14, and the EEC upheld the OEIG determination in three of those four appeals.

In re: Roland Marr (14-EEC-001)

Roland Marr was employed with the Illinois Department of Revenue, and at the time of his retirement on November 30, 2012 was responsible for managing the Alcohol, Tobacco and Fuel Division (ATFD). As manager of ATFD, he had regulatory and licensing responsibility over motor fuel suppliers, distributors and receivers. The Executive Ethics Commission previously affirmed an OEIG determination that Mr. Marr could provide consulting services to the Illinois Petroleum Marketing Association (IPMA) based on the fact that he had not participated in any regulatory or licensing decision that applied to IPMA. In June, 2013, he sought a determination from the OEIG that he could provide consulting services to Lemont ATS (Lemont), a truck stop and retail gas station.

While Mr. Marr was a state employee, Lemont applied for a license to blend fuel, which Mr. Marr, on behalf of the state, denied. The OEIG determined that Mr. Marr was not restricted from consulting with Lemont both because Mr. Marr would not be paid by Lemont but instead by IPMA, and also because Mr. Marr had made a licensing decision, adverse to Lemont, thus negating the appearance of a quid pro quo.

The attorney general appealed the determination to the Executive Ethics Commission, which reversed the OEIG determination. The EEC found that, despite the appearance that Mr. Marr would not receive compensation directly from Lemont, he had been duplicitous in his submissions to the OEIG, and it appeared that he was engaging in deliberate subterfuge in order to provide consulting services to an entity, such as Lemont, he had regulated directly during the previous year. On July 22, 2013, the EEC issued its ruling that Mr. Marr could not avoid the revolving door provisions merely by using IPMA as a conduit for payment by the regulated entity.

In re: Agnes Mrozowski (14-EEC-002)

Agnes Mrozowski was employed by the Illinois Department of Commerce and Economic Opportunity (DCEO). She served as assistant deputy director and was serving as acting deputy director at the time she sought a revolving door determination. In her capacity, as acting deputy director, she oversaw a March 2013 grant increase of \$500,000 to Ameren Illinois (Ameren) for energy-related assistance to Illinois residents affected by a tornado.

While still employed at DCEO, Ms. Mrozowski sought a determination that she could accept employment with Ameren. The OEIG found that Ms. Mrozowski had reviewed Ameren's proposal for grant modifications to confirm that Ameren had complied with the terms of the initial grant, and that she was one of four signatories on the approval of the grant modification. Consequently, the OEIG found that she participated personally and substantially in the award of a state contract to Ameren. Thus, on August 12, 2013, the OEIG issued its determination that Ms. Mrozowski was prohibited from accepting employment with Ameren for one year from the date she left state employment. She appealed to the Executive Ethics Commission, which on August 26, 2013 denied her appeal and affirmed the OEIG determination.

In re: Mary Stephenson Schroeder (14-EEC-008)

Mary Stephenson Schroeder served as general counsel of the Illinois Commerce Commission (ICC) from November 2005 until she left the agency on January 31, 2014. Subsequent to her state employment, she established a new law firm, Stephenson Schroeder LLC (SS LLC). One of SS LLC's first clients would be Ameren Illinois (Ameren), a utility company regulated by ICC. In her capacity as ICC general counsel, Ms. Schroeder oversaw the regulation of utility companies, including Ameren. During the last year of her ICC employment, Ms. Schroeder signed a settlement of an ICC claim against Ameren. She was also involved in discussions with Ameren regarding the need for ICC approval of its divestiture of assets. After leaving ICC and prior to seeking a revolving door determination from the OEIG, Ms. Schroeder filed an appearance on behalf of Ameren in an ICC administrative proceeding.

On May 12, 2014, the OEIG issued a determination that, while Ms. Schroeder was not restricted from establishing SS LLC, she and SS LLC were restricted from accepting Ameren as a client during the first year following her departure from ICC. The OEIG also noted that Ms. Schroeder's commencement of legal work prior to seeking a revolving door determination from the OEIG was potentially a violation of the revolving door prohibition.

On May 22, 2014, Ms. Schroeder appealed the OEIG determination to the Executive Ethics Commission. On June 2, 2014, the EEC affirmed the OEIG determination that Ms. Schroeder was restricted from accepting compensation for representing Ameren.

In re: Anthony Mayville (14-EEC-010)

Anthony Mayville was employed by the Illinois Department of Natural Resources, where he served as director of mine safety and enforcement at the time of his termination in April, 2014. He oversaw a staff of sixteen inspectors, including two “at large” inspectors who, in turn, supervised fourteen on-site or “line” inspectors. Following his termination, Mr. Mayville sought an OEIG revolving door determination with respect to an offer from Knight Hawk Coal LLC (“Knight Hawk”). In the year prior to his termination, certain on-site inspectors under Mr. Mayville’s ultimate authority conducted inspections of Knight Hawk’s facility. Prior to the one-year period before his termination, Mr. Mayville participated in a hearing conducted by the U.S. Mine Safety and Health Administration (MSHA) regarding the death of a miner at Knight Hawk. He subsequently recommended additional safety regulations. The OEIG determined that Mr. Mayville was “not restricted” with respect to Knight Hawk because:

1. he did not personally participate in any inspections of Knight Hawk and had no involvement in suspending operations as a result of on-site inspections;
2. the MSHA hearing occurred more than one year prior to Mr. Mayville’s termination; and
3. promulgation of generally applicable regulations did not constitute a regulatory decision that directly applied to Knight Hawk.

The Office of the Attorney General appealed the OEIG determination on June 16, 2014. The EEC affirmed the OEIG’s determination in a decision made public on June 26, 2014. The EEC noted that though Mr. Mayville had authority to participate personally and substantially in regulatory decisions with respect to Knight Hawk, there was no evidence that he had done so. The EEC further noted that “the promulgation of rules described in the pleadings does not constitute a regulatory decision that directly applied to Mr. Mayville’s prospective employer...”

EEC DISCIPLINARY DECISIONS

Below, listed in order of case number, are summaries of the four disciplinary decisions by the EEC resulting from complaints to the EEC initiated by the OEIG based on OEIG investigations that found reasonable cause to believe violations of the Ethics Act occurred:

Ricardo Meza v. Barry Maram (13-EEC-006)

Barry Maram served as director of the Department of Healthcare and Family Services (HFS) until April 15, 2010. In October 2008, the Office of the Governor, retained Shefsky & Froelich to represent HFS in litigation related to the state's children's health insurance program which was managed by HFS. This contractual relationship ran through June 30, 2010 by which HFS paid half of the costs incurred.

Mr. Maram left HFS on April 15, 2010, and began work at Shefsky & Froelich on April 21, 2010. Mr. Maram did not seek a determination from the OEIG with regard to this employment; however, the OEIG began an investigation and issued its finding on May 30, 2012 that Mr. Maram violated the revolving door provisions by accepting employment with Shefsky & Froelich. The OEIG then referred the matter to the Office of the Attorney General which, on behalf of the OEIG, filed a complaint with the Executive Ethics Commission alleging that Mr. Maram violated the Ethics Act by accepting employment with a party to a contract involving HFS. The Executive Ethics Commission approved a settlement agreement by which Mr. Maram was obligated to pay the State of Illinois \$100,000.

OEIG in the News

"Barry Maram, who served as the director of the Illinois Department of Health and Family Services, left state government in April 2010 and soon after accepted a job with a Chicago law firm that had been hired to defend the state in a lawsuit over the expansion of a state health insurance program for children.

Because of the firm's relationship with the state agency, the executive inspector general ruled that Maram was barred from working there for one year."

- Kurt Erickson, "Revolving door: Top Quinn aide turns lobbyist" Quad-City Times, May 18, 2014

Ricardo Meza v. Sherri Caffey (13-EEC-021)

Sherri Caffey, also known as Sherri Snead, was a veterans nursing assistant with the Illinois Department of Veterans' Affairs (IDVA), based at the Mateno Veterans' Home in Mateno, Illinois. She also volunteered on a political campaign to elect Richard Wooten to the Illinois House of Representatives. The Wooten Campaign listed Ms. Caffey as the campaign manager on some of its materials. During her state work hours, Ms. Caffey placed a phone call to arrange a campaign visit for Mr. Wooten.

When interviewed by the OEIG, Ms. Caffey denied playing any role in the Wooten Campaign, denied having made any phone calls for campaign events, and denied doing either on state-compensated time. When shown phone records indicating a call from her mobile phone, Ms. Caffey insisted the calls were for charity work and not a campaign event. The Illinois attorney general filed a complaint with the EEC, on behalf of the OEIG, alleging Ms. Caffey had engaged in prohibited political activity on state-compensated time and failed to cooperate with an OEIG investigation.

The EEC found that Ms. Caffey's "misrepresentations and obstructions were not incidental or accidental," while also noting that she "has timely accepted responsibility for her conduct and has not elected to raise a meritless challenge to the evidence that overwhelmingly demonstrates her culpability..." On December 18, 2013, the EEC levied a \$1,500 fine against Ms. Caffey for engaging in prohibited political activity and for failing to cooperate with an OEIG investigation.

Ricardo Meza v. Robert Brown (14-EEC-003)

Robert Brown was employed with the Illinois Department of Transportation (IDOT) as the section chief of the Central Sign Shop until he resigned on September 20, 2013. In 2011 and 2012, he was also a volunteer on Thomas Skorepa's campaign for Rock Island County state's attorney. Mr. Brown placed or received at least 54 calls on his mobile phone during state-compensated time that were in fact related to the Skorepa campaign. These 54 phone calls lasted from 1 to more than 15 minutes each, and in total consumed 10.5 hours. In three separate interviews with OEIG investigators, he denied playing an advisory role in the Skorepa campaign and falsely claimed to have a work-related reason for talking with Thomas Skorepa during work hours. Nonetheless, Mr. Brown ultimately agreed that he had engaged in prohibited political activity on state-compensated time by making calls to assist a political campaign. In addition, he acknowledged that he had intentionally interfered with the OEIG investigation.

On January 23, 2014, the EEC levied a fine of \$3,500 for engaging in prohibited political activity on compensated time and an additional \$500 fine for obstructing the OEIG investigation.

Ricardo Meza v. Clyde Redfield (14-EEC-004)

Clyde Redfield was employed by the Illinois Department of Employment Security (IDES) and served as a local area manager in the IDES office in Harvey, Illinois until December, 2009, when he was promoted to assistant regional manager. He was also enrolled as a part-time evening student at Benedictine University, from which he received a management degree in 2010. He was the subject of an OEIG investigation relating to the misappropriation of state resources, including email, computers, printers, and staff time. The OEIG investigated complaints that he sought and received assistance with his homework from other state employees, including subordinates.

In the course of the OEIG investigation, Mr. Redfield was interviewed on two occasions. In both interviews, Mr. Redfield denied using his state email to share school-related documents, asking other state employees to proofread and print his assignments, and distracting other state employees from their duties. Even when presented with copies of emails and reports from other employees that demonstrated his schoolwork consumed hours of their time and that subordinates felt pressured to provide assistance, Mr. Redfield denied using state resources to complete his homework. The Illinois attorney general filed this action, on behalf of the OEIG, against Mr. Redfield, seeking an EEC ruling that he had failed to cooperate with the OEIG investigation by making intentional omissions and false statements.

The EEC found that Mr. Redfield's "misrepresentations and omissions... cannot be described as momentary lapses in judgment." On December 18, 2013 the EEC levied a \$2,500 fine against Mr. Redfield.

VI. RESULTS

During FY14, nineteen OEIG reports were made public pursuant to statute. Agencies under the purview of the OEIG routinely take action based upon our investigative findings, and often concur with our recommendations.

As a result of OEIG investigations, many agencies instituted changes to policies, among them:

- The Regional Transportation Authority will require its board members to annually sign an acknowledgement that specifically delineates all policies, statutes and ethics training materials they have received. (*In re: Tyrone Crider*, Case # 12-02289)
- The Department of Human Services (DHS) directed staff to take refresher training to ensure that hiring for *Rutan*-covered positions would be conducted by two *Rutan*-certified interviewers, in accord with current policy. (*In re: Elizabeth Sarmiento, et al.*, Case # 11-00952)
- DHS implemented measures to verify the accuracy of non-contracted child care provider expense reimbursement requests. DHS also began creating a new uniform attendance record that could share pertinent information across multiple state agencies to prevent future misuse of state funds. (*In re: Linda Saterfield, et al.*, Case # 09-01147)
- The Department of Human Rights (DHR) trained all staff on their duties under the Ethics Act and their responsibility to cooperate with the OEIG, provide accurate information, and report misconduct immediately. At the request of DHR, this training was conducted by OEIG General Counsel Daniel Hurtado and then Deputy Inspector General Kristy Shores. (*In re: Derrick Venton, et al.*, Case # 11-00384)
- The Chicago Transit Authority instituted training for “staff members responsible for reviewing and approving criminal background check information on...best practices for reading, deciphering, and understanding criminal records.” (*In re: Donnell Anderson-Watkins and Sammie Watkins*, Case # 12-02104)
- The Office of the Governor is exploring a policy regarding employee separation statements following an OEIG investigation that found untrue and misleading elements in a press release regarding the separation of former Board of Higher Education Executive Director George Reid. (*In re: George Reid*, Case # 12-00140)

Beyond changes to agency policies and practices, the OEIG regularly works with policymakers to promote ethics in state government. Examples include:

- The OEIG's Grant Review Initiative Team (GRIT) worked with the Illinois Single Audit Commission to develop better protocols to ensure grant funds are properly awarded and spent.



- EIG Ricardo Meza testified before the Northeastern Illinois Public Transit Task Force. EIG Meza recommended legislative changes to increase transparency and ensure greater efficiency and accountability with regard to the Regional Transit Boards. The OEIG recommended amending the Ethics Act to clarify its confidentiality provisions as they relate to OEIG files; and to allow an inspector general to seek an immediate and independent EEC review of any claim of privilege. On March 31, 2014, the task force released its final report concurring with EIG Meza's recommendations.
- On April 21, 2014, EIG Ricardo Meza appeared before and provided written testimony to the Illinois House of Representatives Mass Transit Committee, which was to discuss the Northeastern Illinois Public Transit Task Force's recommendations. EIG Meza urged members of the committee to swiftly implement the recommendations of the task force.

Actions initiated by the OEIG may result in monetary fines or settlements. These amounts, which are collected by the state, are returned to the general revenue fund. Examples include:

- In a negotiated settlement, Barry Maram, former director of the Illinois Department of Healthcare and Family Services, agreed to pay the state \$100,000 to resolve a matter regarding his alleged violation of revolving door employment restrictions. (*Meza v. Maram*, Case # 13-EEC-006)
- In response to a complaint filed on behalf of the OEIG, the EEC ruled that Clyde Redfield, former assistant regional manager of Department of Employment Services, violated the Ethics Act by failing to cooperate with an OEIG investigation and fined Mr. Redfield \$2,500. (*Meza v. Redfield*, Case # 14-EEC-004)
- In response to a complaint filed on behalf of the OEIG, the EEC ruled that Sherri Caffey, former veterans nurse assistant with the Illinois Department of Veterans' Affairs, violated the Ethics Act by failing to cooperate with an OEIG investigation and engaging in prohibited political activity. Ms. Caffey was fined \$1,500. (*Meza v. Caffey*, Case # 13-EEC-021)
- In response to a complaint filed on behalf of the OEIG, the EEC ruled that Robert Brown, former section chief of the Central Sign Shop with the Illinois Department of Transportation, violated the Ethics Act by failing to cooperate with an OEIG investigation and by engaging in prohibited political activity and fined Mr. Brown \$500 on the first count and \$3,500 on the second count. (*Meza v. Brown*, Case # 14-EEC-003)

In addition to fines levied in disciplinary cases, from time to time agencies will respond to OEIG investigations with efforts to seek reimbursement for improperly spent funds or wasted resources. In FY14, the Department of Labor responded to an OEIG investigation which determined that an DOL employee was overstating his expenses on reimbursement forms by seeking refunds of the overpayment.

State agencies or employees also made employment decisions based on OEIG investigations, including among others:

- The Chicago Transit Authority discharged Bus Operator Angel Zapata, who abused leave by engaging in secondary employment while on medical leave, (*In re: Angel Zapata*, Case # 12-00848).
- The Department of Human Services discharged Holly Hall-Harbin for misconduct, (*In re: Holly Hall-Harbin*, Case # 11-00106).
- Department of Corrections employee Mark Montgomery resigned in lieu of discharge, (*In re: Mark Montgomery*, Case # 11-02060).

“The Illinois Department of Human Services received the...OEIG report and have implemented all your recommendations...DHS also sent out a memo to all staff regarding the protocol under Administrative Order #2 to ensure that all of our *Rutan* interviews are done with a two-person panel of certified interviewers.”

-Michelle R. B. Saddler, Secretary, Illinois Department of Human Services, October 24, 2013

“In response to the OEIG’s findings and recommendations, CTA disciplined Mr. Dudek. First, Mr. Dudek must serve a suspension of three (3) weeks without pay. Following his unpaid suspension, Mr. Dudek will be placed on disciplinary probation for one (1) year. In addition, Mr. Dudek will be prohibited from further contact and dealings with Bus and Truck of Chicago (B&T) for the remainder of his career at CTA...”

-George Cavelle, Director of Bus Maintenance, Chicago Transit Authority, June 21, 2013

“In response to the Final Summary Report issued by the [OEIG] involving allegations of misconduct by Illinois Department of Labor Amusement Ride Inspector Charles Drager, the Department... presented the Report to ...[Mr.] Drager... [who] later resigned... prior to the Department taking any disciplinary action.”

-Joseph Costigan, Director, Illinois Department of Labor, April 29, 2013 (published July 23, 2013)

“IDHR agrees with [your] recommendations and will...conduct training for its staff on the Ethics Act and the obligations of State employees to cooperate with and to provide accurate information to the OEIG, and on the duty to report misconduct.”

-Lon D. Meltesen, Chief Legal Counsel, Illinois Department of Human Rights, November 28, 2012, (Published July 23, 2013)

“Attorney General Lisa Madigan today announced charges against former Chicago Transit Authority (CTA) employees for a scheme to steal thousands of dollars from the agency’s deferred compensation program that involved submitting fake death certificates for their living children and stealing the identities of former coworkers....The cases were referred to Madigan’s office from the Office of the Executive Inspector General.”

-Office of the Attorney General, Press Release, June 14, 2014

LEGISLATIVE ACTIONS

During FY14, The OEIG has endorsed legislative proposals to enhance ethics enforcement in Illinois including:

Public Disclosure of Significant Violations

Introduced by State Representative Fred Crespo (44th District) on February 5, 2014, **House Bill 4746** would require the public disclosure of founded summary reports when an executive inspector general (EIG) determines that the conduct at issue in the report resulted in the loss of public funds in an amount of \$5,000 or more. Present law mandates the Executive Ethics Commission's (EEC) 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, would expand the instances where an OEIG founded report is made public. Under the Ethics Act, the EEC's mandatory publication of an EIG's founded summary report hinges on the severity of the discipline imposed by a public employee's employer. Thus, there are instances where misconduct would not result in a public report.

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

- **Employee resignations:** When employees are found to have engaged in misconduct but resign prior to disciplinary action, the OEIG report is not required to become public. A voluntary resignation, unlike an involuntary termination, does not trigger 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 learned of the systemic fraud uncovered by the OEIG had the EEC not exercised its discretion to publish the founded summary report.
- **Suspensions of fewer than three days:** Instances involving employees suspended for fewer than three days does not trigger mandatory publication. If a person is suspended less than three days and if the EEC does not exercise its discretion to release the report, the public may never be made aware of the misconduct.
- **Alternative Discipline:** When an agency imposes discipline that is serious but not contemplated by the Ethics Act, including actions reached in employee grievance settlements, then the report is not subject to mandatory publication. For example, if an agency docks an employee one month's salary but issues no formal suspension, and if the EEC opts not to exercise its discretion to release the report, the public may never learn of the misconduct.
- **No Discipline:** In instances where significant misconduct, mismanagement, or waste is uncovered but no discipline is imposed, which sometimes occurs when the subject employee has died or resigned, the OEIG report may not be publicly disclosed, if the EEC chooses not to exercise its discretion to publish the report.

Disclosures to Protect Public Safety

Introduced by State Representative Fred Crespo (44th District) on February 5, 2014, **House Bill 4747** would create a mechanism for the disclosure of investigative files and reports to the affected state agency head in instances when the EIG determines that there is a risk to public safety or when it is in the best interest of the state.

Prior to issuing a founded summary report, an EIG must keep confidential all investigatory files and reports. The Ethics Act makes only very limited exceptions to the confidentiality requirements, such as allowing disclosure as necessary to the ultimate jurisdictional authority before the investigation is concluded.

Under current law, throughout the course of an investigation and prior to the time the EIG issues a founded summary report, an EIG may not disclose investigatory files and reports to an agency head, even in instances where public safety is at stake. In light of the nature of EIG investigations, EIGs may be the first to obtain evidence reflecting a potential risk to public safety.

This issue was recently highlighted by OEIG investigation *In re: Charles Drager, # 11-00621*. That investigation revealed that an Illinois Department of Labor inspector did not conduct inspections, which potentially put public safety at risk.

Legislative Wrap-Up

At the close of the General Assembly's 2014 spring session, the matters outlined above regarding increased transparency (HB 4746) and public safety (HB 4747) were not included in legislation sent to the governor. The OEIG intends to continue to advocate the adoption of these recommendations and other initiatives that will increase government transparency and ensure public safety.

The following ethics-related measures were sent to the governor and signed into law:

- HB 4208, sponsored by State Representative Laura Fine (17th District) and State Senator Daniel Biss (9th District), which amends the Ethics Act to clarify that members of local boards appointed by members of county governments are covered by county ethics rules. HB 4208 builds on HB 2925, enacted in 2013, which provided that county officials appointed to local boards by heads of county governments are bound by the same ethics standards as their appointing authority. This measure was signed into law as Public Act 98-0894.
- SB 3056, sponsored by State Senator Daniel Biss (9th District) and State Representative Al Riley (38th District) which sets revolving door rules for current and former members of the Regional Transit Boards, among other provisions. This measure was signed into law as Public Act 98-1027.
- HB 2747, sponsored by State Representative Fred Crespo (44th District) and State Senator Dan Kotowski (28th District), created the Grant Accountability and Transparency Act, which sets auditing standards for state and federal grants to non-federal agencies, centralizes oversight of grants, and requires certain disclosures of grant recipients, all aimed at reducing fraud and waste in grant-making. This measure was signed into law as Public Act 98-0706.

The OEIG will continue to work with legislators and others on legislation to improve the ethics of state government agencies, departments, boards and commissions.

APPENDICES

| | |
|--|----|
| LEADERSHIP | 47 |
| NUMBER OF COMPLAINTS RECEIVED BY TYPE | 49 |
| NUMBER OF FOUNDED COMPLAINTS BY AGENCY | 50 |
| NUMBER OF FOUNDED COMPLAINTS BY TYPE | 51 |
| METHOD AND TYPE OF COMPLAINT | 52 |
| FREEDOM OF INFORMATION ACT | 53 |
| REFERENCES ON THE WEB | 54 |

LEADERSHIP

RICARDO MEZA, EXECUTIVE INSPECTOR GENERAL

Mr. Meza was appointed acting executive inspector general on September 7, 2010 and was confirmed by the Illinois Senate on November 17, 2010. He was subsequently reappointed and confirmed to a term which extends to June 30, 2018. Prior to his initial 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.

DAVID KEAHL, CHIEF OF STAFF

Mr. Keahl joined the OEIG in October 2003. He has since served as director of ethics training and compliance, deputy chief of staff, and chief of staff. 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.

KRISTY SHORES, FIRST DEPUTY INSPECTOR GENERAL

Ms. Shores manages the OEIG's investigative activities, including those of its Chicago, Springfield, and Regional Transit Board divisions. Ms. Shores joined the OEIG in 2007, first serving as assistant inspector general and subsequently as deputy inspector general of complaints and compliance, and deputy inspector general of investigations. Prior to joining the OEIG, Ms. Shores was employed by a civil litigation firm. Ms. Shores received a BA in political science and mathematics from DePaul University and a JD from the DePaul University College of Law.

DANIEL HURTADO, GENERAL COUNSEL

Mr. Hurtado was appointed special counsel in July 2012 and subsequently appointed as general counsel in March 2014. 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.

LAURA BAUTISTA, DEPUTY INSPECTOR GENERAL AND CHIEF OF SPRINGFIELD DIVISION

Ms. Bautista joined the OEIG as deputy inspector general and chief of the Springfield Division in July 2013. Previously, Ms. Bautista was an assistant attorney general and supervisor in the General Law Bureau of the Illinois Attorney General's Office. Ms. Bautista also previously worked as an attorney for the Civil Rights Center and the Chicago Legal Clinic. Ms. Bautista received a BS in psychology from Eastern Kentucky University and a JD from Chicago-Kent College of Law.

FALLON OPPERMAN, DEPUTY INSPECTOR GENERAL AND CHIEF OF 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.

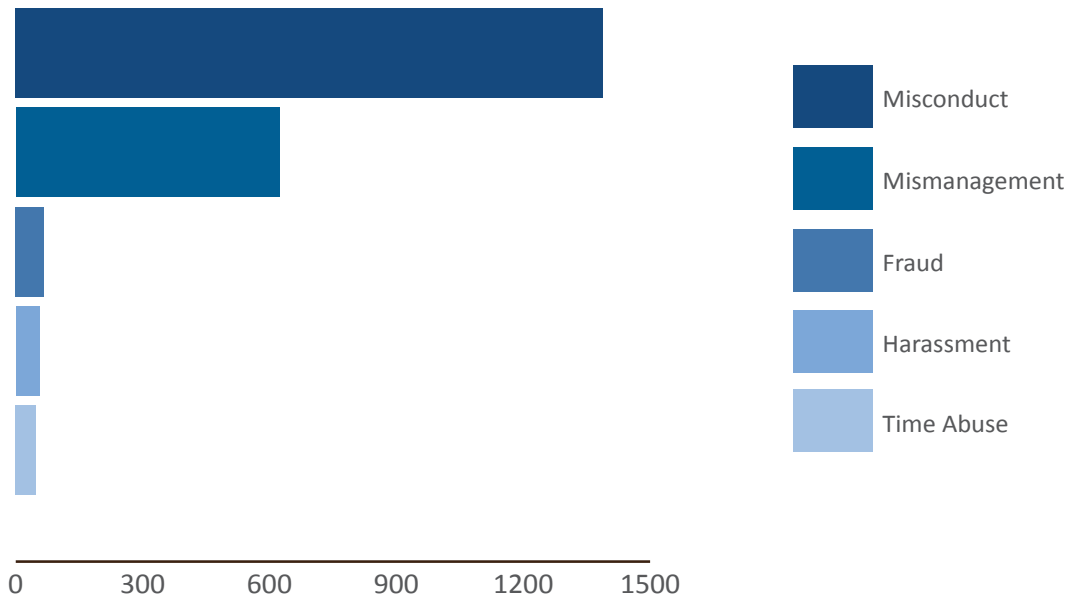
| Number of Complaints Received by Type | FY13 | FY14 |
|---|--------------|--------------|
| Abuse | 55 | 11 |
| Abuse of Time | 108 | 48 |
| Americans with Disabilities Act Violations | 5 | 0 |
| Bid-Rigging | 6 | 1 |
| Breach of Confidentiality | 31 | 23 |
| Bribery | 4 | 5 |
| Child Support | 0 | 0 |
| Conflict of Interest | 46 | 12 |
| Corruption | 28 | 2 |
| Discrimination | 26 | 28 |
| Ex Parte Communications Violation | 2 | 1 |
| Extortion | 1 | 0 |
| Failure to Cooperate | 8 | 1 |
| Failure to File Statement of Economic Interests | 1 | 0 |
| Failure to Follow Agency Policy | 78 | 8 |
| False Employment Application | 2 | 0 |
| Fraud | 225 | 67 |
| Ghost Pay Rolling | 4 | 4 |
| Gift Ban Violation | 6 | 4 |
| Harassment | 113 | 56 |
| Hiring Improprieties | 79 | 30 |
| Improper Political Promotion | 0 | 2 |
| Misappropriation or Misuse of Funds | 42 | 20 |
| Misconduct | 786 | 1,389 |
| Mismanagement | 761 | 624 |
| Misuse of Property | 50 | 16 |
| Other | 93 | 54 |
| Patronage | 2 | 0 |
| Political Work on State Time | 8 | 5 |
| Prisoner Complaint | 10 | 3 |
| Procurement Fraud | 9 | 6 |
| Prohibited Political Activity | 12 | 10 |
| Retaliation | 80 | 34 |
| Revolving Door Violation | 8 | 4 |
| Sexual Harassment | 16 | 5 |
| Theft | 50 | 19 |
| Unethical Conduct or Practices | 28 | 10 |
| Violence in the Workplace | 3 | 2 |
| Waste | 6 | 3 |
| Wrongful Termination | 17 | 14 |
| Total | 2,809 | 2,521 |

| Number of Founded Complaints by Agency | FY13 | FY14 |
|--|-------------|-------------|
| Aging, Department on | 1 | 0 |
| Agriculture, Department of | 0 | 1 |
| Central Management Services, Department of | 3 | 0 |
| Chicago State University | 0 | 1 |
| Chicago Transit Authority | 6 | 2 |
| Children and Family Services, Department of | 1 | 0 |
| Commerce and Economic Opportunity, Department of | 1 | 0 |
| Corrections, Department of | 2 | 0 |
| Financial and Professional Regulation, Department of | 2 | 0 |
| Higher Education, Board of | 0 | 1 |
| Human Rights, Department of | 1 | 0 |
| Human Services, Department of | 4 | 6 |
| Insurance, Department of | 0 | 1 |
| Juvenile Justice, Department of | 2 | 0 |
| Labor, Department of | 1 | 1 |
| Metra | 0 | 3 |
| Natural Resources, Department of | 1 | 0 |
| Northern Illinois University | 0 | 1 |
| Regional Transit Authority | 0 | 1 |
| Revenue, Department of | 0 | 1 |
| State Board of Education | 0 | 1 |
| Transportation, Department of | 2 | 2 |
| University of Illinois | 1 | 1 |
| Various State Agencies | 0 | 1 |
| Veterans' Affairs, Department of | 1 | 0 |
| Workers' Compensation Commission | 1 | 0 |
| Total | 30 | 24 |

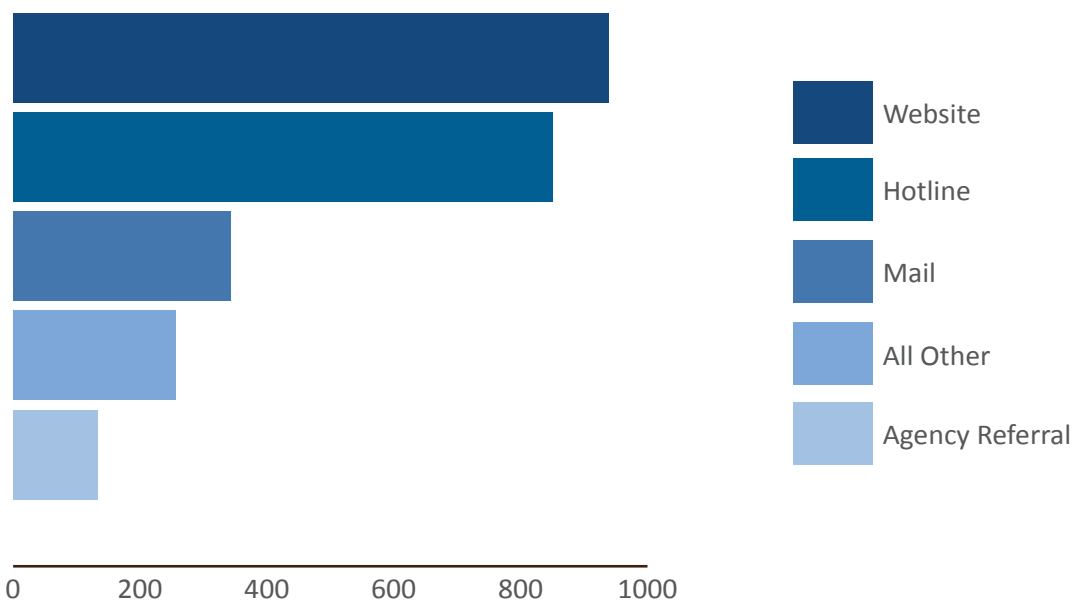
| Number of Founded Complaints by Type | FY13 | FY14 |
|---|-------------|-------------|
| Abuse of Time | 8 | 1 |
| Conflict of Interest | 1 | 2 |
| Fraud | 5 | 6 |
| Gift Ban Violation | 1 | 1 |
| Hiring Improprieties | 2 | 1 |
| Misappropriation or Misuse of Funds | 0 | 1 |
| Misconduct | 7 | 3 |
| Misuse of Property | 0 | 2 |
| Political Work on State Time | 0 | 3 |
| Procurement Fraud | 1 | 0 |
| Prohibited Political Activity | 2 | 0 |
| Revolving Door Violation | 0 | 1 |
| Sexual Harassment | 1 | 1 |
| Theft | 1 | 0 |
| Unethical Conduct | 1 | 2 |
| Total | 30 | 24 |

METHOD AND TYPE OF COMPLAINT

Top Five Complaint Types in FY14
(Number of Complaints)



Submittal Method of Complaints Received in FY14
(Number of Complaints)



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 2014:

\$7,538,100

OEIG OFFICES:

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

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

NUMBER OF OEIG EMPLOYEES:

75 employees as of June 30, 2014

STATE AGENCY WITH LIMITED OVERSIGHT ROLE OVER THE OEIG:

Illinois Executive Ethics Commission

OEIG FOIA OFFICER:

Daniel Hurtado
General 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.

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>

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