



ANNUAL REPORT 2022

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

oeig.illinois.gov

Message from Executive Inspector General Susan Haling

It is with great pleasure I present the Annual Report for the Office of Executive Inspector General for the Agencies of the Illinois Governor (OEIG). This report highlights our work in FY2022.

In FY2022, the OEIG received a record-high total of 3,075 complaints, opened 79 investigations, and completed 88 investigations, including 20 with findings of wrongdoing. In FY2022, nine founded reports were made public by the Executive Ethics Commission (EEC). The OEIG conducts every investigation with objectivity, fairness, integrity, and professionalism.



Below are some highlights from the OEIG's work during FY2022.

- **HIRING COMPLIANCE.** The OEIG, through both its Hiring and Employment Monitoring (HEM) and Investigative Divisions, has worked extensively on the *Shakman* litigation since the appointment of federal monitor in 2014. The appointment resulted from an OEIG investigation and founded published report regarding personnel decisions and practices at the Illinois Department of Transportation (No. 11-01567). On August 5, 2022, the United States Court of Appeals for the Seventh Circuit terminated the appointment of the federal special master overseeing State hiring, *Shakman v. Pritzker*, No. 21-1739, (7th Cir. Aug. 5, 2022), based on the State's showing of substantial compliance and the existence of a durable remedy, including OEIG/HEM. During the *Shakman* litigation, HEM worked with the special master and two different administrations to help bring substantial changes to the State's hiring system. Although the federal monitor's work has ended, HEM's compliance work and the OEIG's investigations will continue in order to help ensure State hiring is free from improper or undue influences.
- **REVOLVING DOOR DETERMINATIONS.** Certain State employees are required to notify the OEIG prior to accepting non-State employment, and the OEIG must determine whether the employee participated personally and substantially in decisions involving the prospective employer. The OEIG must complete these revolving door determinations within 10 calendar days. During FY2022, the OEIG made **291** revolving door determinations following the process described above. This represents a **55% increase** from the previous fiscal year's number of 187 and is a record high for a fiscal year. This year, the OEIG and the Governor's Office also provided joint trainings focused on revolving door issues.
- **DIVERSITY, EQUITY, & INCLUSION.** During FY2022, the OEIG's DEI Working Group continued to make great strides. Among other things, it worked to standardize onboarding processes to integrate new employees, facilitated an internal mentorship program, and led an internal discussion about implicit bias.

It is my strong belief that the OEIG's oversight can help improve the quality of work in the State as well as root out waste and wrongdoing. My staff and I are deeply committed to helping improve State government and will continue to pursue a highly ethical work force free of fraud, waste, and abuse.

Sincerely,

A handwritten signature in blue ink that reads "Susan M. Haling".

Susan M. Haling
Executive Inspector General



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The State Officials and Employees Ethics Act (Ethics Act), 5 ILCS 430/1, *et seq.*, established the Office of Executive Inspector General for the Agencies of the Illinois Governor (OEIG) in 2003. The OEIG is an independent executive branch State agency. The Ethics Act authorizes the OEIG to investigate allegations of fraud, waste, abuse, mismanagement, misconduct, nonfeasance, misfeasance, malfeasance, and violations of the Ethics Act (such as prohibited political activity, sexual harassment, the gift ban, and retaliation) and other related laws and rules. The OEIG also investigates allegations of hiring improprieties and conducts compliance-based reviews of employment procedures and decisions. In addition, the OEIG plays a vital role in reviewing Ethics Act-mandated trainings and conducting revolving door determinations.

The OEIG has jurisdiction over:

- more than **170,000** State employees, appointees, and officials, including the Governor and the Lieutenant Governor;
- more than **300** executive branch State agencies, departments, boards, and commissions;
- the **nine** State public universities across a dozen campuses;
- the **four** Chicago area Regional Transit Boards (the Regional Transportation Authority, the Chicago Transit Authority, Metra, and Pace); and
- vendors and contractors of any of those entities.

Susan M. Haling was appointed as Acting Executive Inspector General (EIG) in March 2018. On May 31, 2019, the Illinois Senate confirmed the appointment of Ms. Haling to Executive Inspector General for the term ending on June 30, 2023.

Executive Team

Susan M. Haling,
Executive Inspector
General

Neil P. Olson,
General Counsel

Fallon Opperman,
Deputy Inspector General
and Chief of Chicago
Investigative Division

Erin K. Bonales,
Director of Hiring &
Employment Monitoring
Division

**Christine P.
Benavente,**
Deputy Inspector General
- Executive Projects

Angela Luning,
Deputy Inspector General
and Acting Chief of
Springfield Investigative
Division

Ogo Akpan
Chief Fiscal Officer and
Operations Manager

INVESTIGATIVE DIVISION

The OEIG receives complaints from many different sources, including members of the public, State employees, law enforcement officials, contractors, and individuals requesting to remain anonymous. In the absence of consent from a complainant, the OEIG is required to ensure that the identities of complainants are and will remain confidential unless otherwise required by law.

The OEIG evaluates all new complaints to determine the appropriate action. To conduct investigations, OEIG investigators interview witnesses, collect documents, analyze records, conduct surveillance, perform computer forensics, and use a variety of other investigatory tools and techniques. The OEIG also has subpoena power to obtain information relevant

to an investigation. Investigations are governed by the OEIG's Investigation Policy and Procedures Manual, the Illinois Administrative Code, and other applicable laws, rules, policies, and regulations, which can be viewed on the OEIG's website.

In FY2022, the OEIG received a record-high total of **3,075** complaints, opened 79 investigations, completed 88 investigations, including 20 with findings of wrongdoing, 21 resulting in letters of recommendations to the ultimate jurisdictional authority, and five resulting in letters of recommendations to the relevant agencies. In FY2022, nine founded reports were made public by the Executive Ethics Commission (EEC). Those reports can be found on the OEIG website: [Founded OEIG Investigative Reports](#).

Anyone seeking to report wrongdoing to the OEIG may:

- file a complaint online at oeig.illinois.gov;
- call the OEIG at 866-814-1113;
- TTY at 888-261-2734; or
- send a printed copy of a complaint form to the OEIG Springfield or Chicago offices.

The OEIG has complaint forms available in both English and Spanish.

You may report alleged violations to the OEIG anonymously. When filing a complaint, please ensure that there is sufficient detail concerning the allegations for an investigation to be initiated.

HIRING & EMPLOYMENT MONITORING DIVISION

The Ethics Act directs the OEIG to “review hiring and employment files of each State agency within [its] jurisdiction to ensure compliance with *Rutan v. Republican Party of Illinois* ... and with all applicable employment laws.” 5 ILCS 430/20-20(9). In keeping with this mandate, the OEIG created the Hiring & Employment Monitoring (HEM) Division, which conducts compliance-based reviews of State hiring and employment procedures and decisions and provides recommendations in order to help improve the efficiency and quality of State hiring. HEM monitors hiring sequences (which includes in person or virtual real-time monitoring of interviews), conducts desk audits, and reviews complaint referrals and political contacts.

In addition, HEM determines whether positions should be added to or deleted from the State’s Exempt List. The Exempt List is a comprehensive list of exempt positions for which hiring and employment decisions may be made on the basis of political or other non-merit factors. In addition to approving

changes to the Exempt List, HEM staff also reviews all appointments made into these at-will positions to ensure that the selected candidates are minimally qualified for their positions.

Furthermore, HEM ensures compliance with the State’s Comprehensive Employment Plan (CEP), which contains the Agreed Exempt Employment Plan and sets forth general principles and commitments applicable to all hiring and implements hiring processes for non-exempt positions.

HEM reports on its work by issuing Quarterly and Annual Reports, as well as written Advisories to the agencies and other relevant parties at the conclusion of its review that summarize HEM’s findings and making recommendations for the agency. In FY2022, HEM issued 39 Advisories, involving 23 different agencies. The OEIG’s Quarterly and Annual HEM Reports can be found on the OEIG’s website: [HEM Quarterly and Annual Reports](#).



REVOLVING DOOR DETERMINATIONS

The Ethics Act requires the OEIG to determine whether certain State employees, appointees, and officials, who by the nature of their duties may participate personally and substantially in contracting, licensing, or regulatory decisions, or fiscal administration of contracts, may accept non-State employment or compensation within one year of leaving State employment. These determinations are called revolving door determinations. More information about the revolving door determination process and instructions for obtaining a determination, can be found at [OEIG Revolving Door Instructions and Forms](#).

In FY2022, the OEIG investigated and issued a record-high **291** revolving door determinations. It determined that four of the employees seeking these determinations were restricted from accepting their proposed non-State employment opportunities for one year after their departure from State employment.

Generally, the revolving door restrictions under the Ethics Act are intended to prevent former public servants who participated in certain contracting, licensing, or regulatory decisions from accepting employment from an entity that was directly implicated in those decisions. The OEIG also investigates former State employees who fail to obtain a determination from the OEIG prior to accepting a job after leaving State employment or begin employment with an employer after receiving a restricted determination.



TRAINING AND COMPLIANCE

The Ethics Act requires individuals under the OEIG's jurisdiction to complete both ethics and harassment and discrimination prevention training programs on an annual basis. Under the Ethics Act, the OEIG and EEC are tasked with overseeing these training programs. Accordingly, the OEIG reviews and approves training programs proposed by entities under its jurisdiction. During calendar year 2021, the OEIG reviewed and approved 21 ethics training programs and 24 harassment and discrimination prevention training programs.

In addition, the OEIG develops and designs the ethics training program for State employees under the Governor's jurisdiction and works with the Illinois Department of Innovation & Technology (DoIT) to facilitate the use of an online training platform, OneNet, for this training program. The OEIG also oversees and reviews the harassment and discrimination prevention training program created by the Office of the Governor (Governor's Office) for those employees, appointees, and officials under the Illinois Governor.

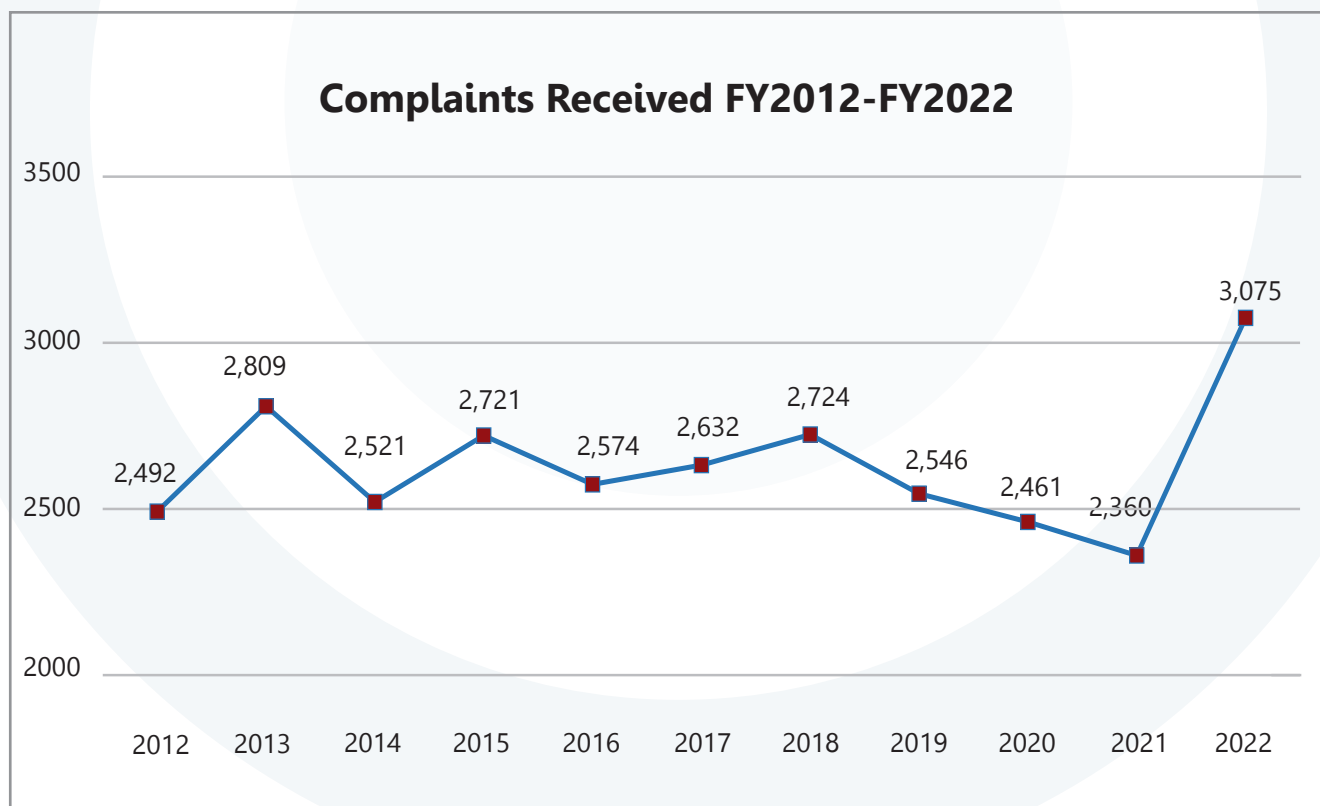
Ultimate jurisdictional authorities (the Governor's Office for agencies under the Governor; the boards of trustees for public universities; and the boards of the Regional Transit Boards for their respective employees) are required to report compliance with these training requirements on an annual basis. For the 2021 calendar year reporting period, agencies reported that individuals completed approximately 183,000 ethics training sessions and approximately 184,000 harassment and discrimination prevention training sessions.

The OEIG directly provided more than 56,000 of the online ethics training sessions to the agencies under the Governor in calendar year 2021. For calendar year 2022, the ethics and harassment and discrimination prevention training programs are available on OneNet.

The OEIG investigates allegations of fraud, waste, abuse, mismanagement, misconduct, nonfeasance, misfeasance, malfeasance, and violations of the Ethics Act (such as prohibited political activity, sexual harassment, the gift ban, and retaliation) and other related laws, rules, and policies. The OEIG may self-initiate an investigation or open an investigation based on receiving a complaint.

COMPLAINTS FILED WITH THE OEIG

During FY2022, the OEIG received a total of 3,075 complaints. This amount is a record-high number of complaints received in the past ten years, as shown in the chart below.



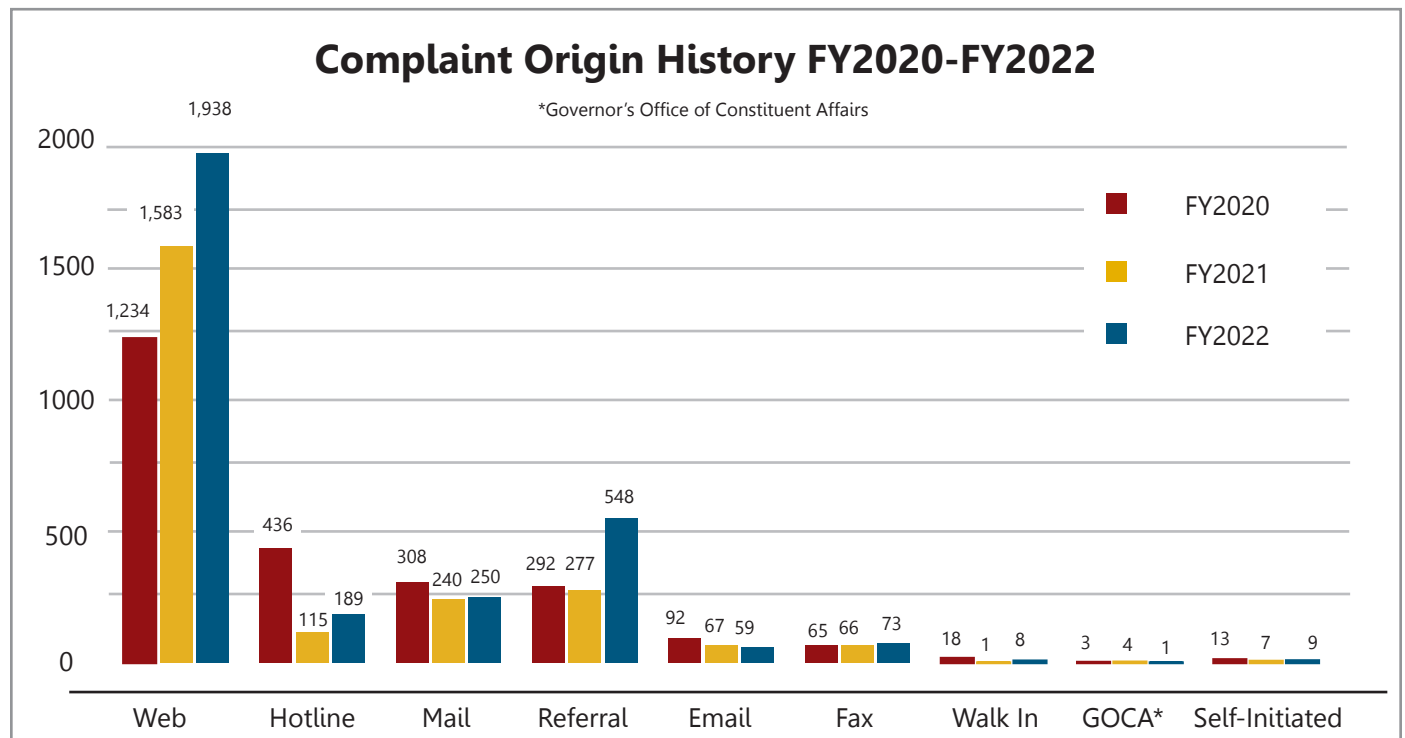
COMPLAINT ORIGINS

The OEIG received these complaints through many different methods, including, among others, online complaint forms filed through its website: oeig.illinois.gov; its toll-free hotline at 866-814-1113; by U.S. mail; and by referral from others. The OEIG also accepts complaints via a telecommunications device for the deaf (TDD) at 888-261-2734. Complaints about entities or persons under the jurisdiction of the OEIG may be submitted by anyone and may be submitted anonymously. However, a complaint must relate to the official conduct of:

- an employee of an executive branch State agency, board, or commission under the jurisdiction of the OEIG;
- an employee of a State public university;
- an employee of one of the Regional Transit Boards (the Regional Transportation Authority, Chicago Transit Authority, Metra, or Pace); or
- a person or entity (such as a vendor) doing business with an entity under the jurisdiction of the OEIG.

Anyone who files a complaint should have a reasonable belief that the allegation being reported is true. In addition, anyone filing a complaint must provide sufficient detail concerning the allegation in order for an investigation to be initiated.

In FY2022, the OEIG received complaints from many different sources, including, for example, other State employees, private citizens, and law enforcement authorities. Some complaints were filed anonymously. The OEIG also self-initiated nine investigations based on public information or information generated by other investigations.



COMPLAINT EVALUATION PROCESS

The OEIG has 30 days after receiving a complaint to process the complaint and make a determination on how to proceed. Initially, the OEIG assigns each complaint a file identification number and inputs the information into the OEIG database system. The OEIG determines whether any immediate action needs to be taken and then proceeds to take steps necessary to evaluate the complaint for an appropriate disposition. With regard to disposition, the OEIG generally takes one of the following actions:

- opens an investigation;
- refers the complaint to an appropriate authority; or
- administratively closes the file.

The OEIG opened 79 investigations in FY2022. The OEIG opened most of these investigations based on the complaints it received. At times, the OEIG received multiple complaints related to one another and consolidated those complaints into one investigation. The OEIG also may self-initiate an investigation based on information learned in other investigations or from public materials.

In FY2022, the OEIG referred 2,382 complaints and/or investigations to other agencies or appropriate entities, including law enforcement authorities. The OEIG may refer matters to another agency when it appears that the allegations may be more appropriately addressed by that agency. In some instances, when the OEIG refers the matter to another agency, the OEIG requests that the agency investigate the allegations and respond to the OEIG about the results of its investigation. The OEIG then reviews these agency responses to determine whether the agency adequately addressed the allegations or whether the OEIG should subsequently open an investigation.

In FY2022, the OEIG also administratively closed 188 complaints. The OEIG administratively closed these complaints when, for example, the complaint was not within its jurisdiction; the complaint did not allege a violation of State law, rule, or policy; the alleged wrongdoing occurred entirely outside of the OEIG's statute of limitations; a related action was already pending; or there were duplicate complaints about a matter.

INVESTIGATIONS CONCLUDED

Once an investigation is opened, the OEIG has “the discretion to determine the appropriate means of investigation as permitted by law.” 5 ILCS 430/20-20(1). The OEIG conducts investigations, in part, by interviewing witnesses, obtaining and analyzing relevant documents, performing electronic forensic analysis, and conducting surveillance. The length of time required for an investigation depends on factors such as the nature of the allegations, the number of interviews to be conducted, the volume and complexity of records that must be obtained and analyzed, and the OEIG’s staffing levels.

The OEIG completed 88 investigations in FY2022. At the conclusion of an investigation, if the OEIG determines there is reasonable cause to believe that a violation of law or policy has occurred, it writes a founded summary report. In FY2022, the OEIG issued 20 founded summary reports that document the following:

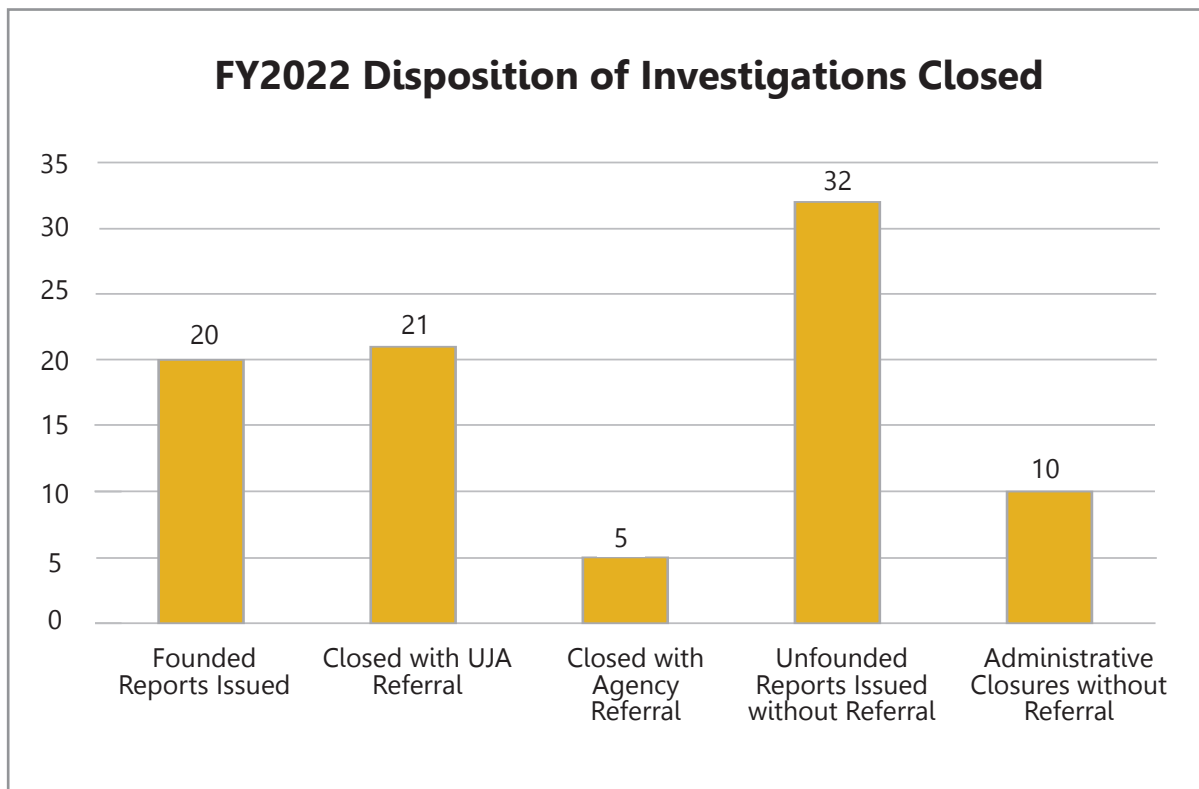
- the allegations of wrongdoing;
- facts confirmed by the investigation;
- an analysis of the facts in comparison to the applicable law, rule, or policy;
- findings and recommendations; and
- any other information the OEIG deems relevant to the investigation or resulting recommendations.

In accordance with State law, the OEIG provides founded reports to the head of each agency affected by or involved with the investigation and the appropriate ultimate jurisdictional authority.

If the OEIG determines that there is insufficient evidence to reasonably believe that a violation of law or policy has occurred, it issues an unfounded report that consists of a written statement to the EEC summarizing its decision to close the matter. Alternatively, the OEIG may “administratively close” an investigation for various reasons, including, for example, when the agency has already adequately investigated and/or addressed all of the allegations, or the OEIG discovers a pending lawsuit or criminal investigation involves the same allegations.

If after completing an investigation, the OEIG does not make any findings of wrongdoing but the investigation has revealed procedural or systemic flaws that need to be addressed, the OEIG may close the investigation and simultaneously refer these issues to the ultimate jurisdictional authority or relevant agency with recommendations to take administrative action. For example, in FY2022, there were 21 instances in which the OEIG issued either an unfounded report or administratively closed an investigation but also made a referral to the ultimate jurisdictional authority; there were an additional five instances in which

the OEIG unfounded or administratively closed an investigation but made a referral to the relevant agency, making recommendations. In many of these instances, the OEIG requested a response from the ultimate jurisdictional authority or agency summarizing any actions it took in response to the referral.



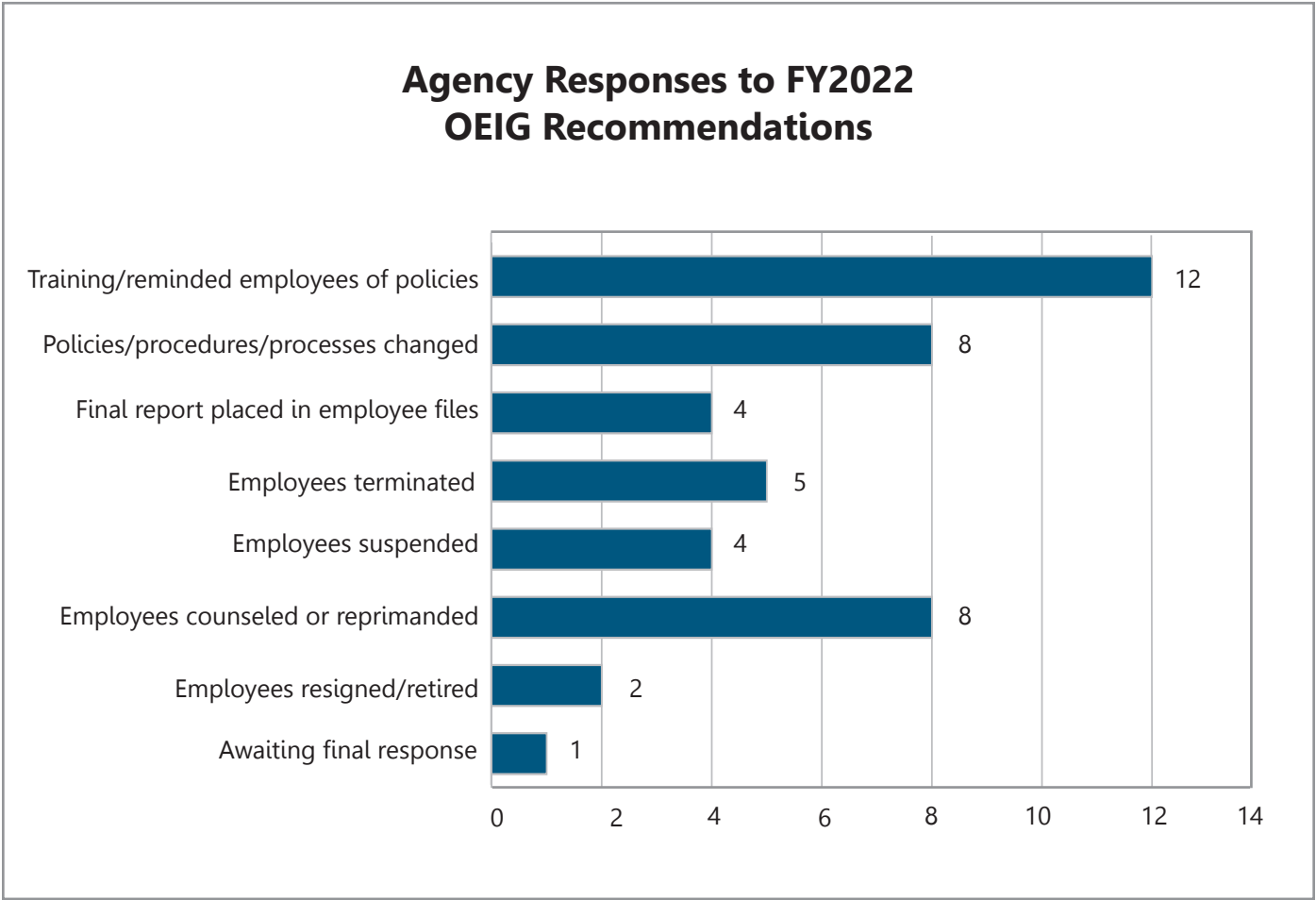
FOUNDED SUMMARY REPORT RECOMMENDATIONS AND AGENCY RESPONSES

Upon completion of an investigation, if the OEIG found reasonable cause to believe violations occurred, the OEIG will issue a founded report with recommendations to the affected agencies. In FY2022, the OEIG’s recommendations included, for example:

- terminating an employee;
- imposing disciplinary action against an employee;
- counseling an employee;
- placing a copy of the founded report in a former employee’s personnel file;
- adjusting agency policies or procedures;
- conducting appropriate training of employees; and
- recouping State funds.

It is the responsibility of affected agencies to determine appropriate action upon receipt of an OEIG report and recommendations. Specifically, within 20 days after receiving a founded report from the OEIG, the appropriate agency head and/or the ultimate jurisdictional authority must respond to the report and describe any corrective or disciplinary action to be imposed. Occasionally, the agency’s final response may be delayed due to a protracted grievance or administrative review process.

As shown in the chart below, agencies often adopt the OEIG’s recommendations and take disciplinary action against employees or seek to change policies that may have contributed to misconduct or could help to prevent future misconduct. In FY2022, OEIG investigations yielded various agency actions, including employee discipline, employee and/or management training, policy changes, and the creation of tracking systems. The OEIG is still awaiting final responses from agencies regarding certain cases as they implement policy changes and take disciplinary action. The following chart displays how agencies responded to OEIG founded reports issued in FY2022.



REFERRALS TO THE ULTIMATE JURISDICTIONAL AUTHORITY

In some circumstances, after conducting an investigation, the OEIG also refers matters to the ultimate jurisdictional authority (UJA) to take administrative action. The UJAs include the Governor's Office; the boards of trustees for public universities; and the boards of the Regional Transit Boards for their respective employees. A UJA referral provides the UJA with information obtained in the investigation and recommendations for corrective action regarding the agency's processes. These administrative referrals generally occur when the OEIG has not found sufficient evidence of wrongdoing but has identified a systematic issue, or believes a policy or practice needs to be adjusted or implemented, additional training is needed for an agency's staff, or other systemic changes would be helpful.

In FY2022, the OEIG referred matters to the Governor's Office in 21 instances, and primarily recommended that it work with the relevant agencies to review existing processes or policies, or create new ones, in order to improve or address various matters. In some instances, the OEIG requested a response to the referral and reviewed those responses to ensure the UJA and relevant agency were appropriately implementing recommendations.

The following are summaries of those referrals and the responses provided by the Governor's Office:

- **OEIG Case #20-01100:** During this investigation, the OEIG identified approximately 40 State agencies, boards, and commissions with apparent regulatory or licensing functions and reviewed their revolving door designations in the Revolving Door Tracking System. Based on this review, agencies appeared to vary in the interpretation of what constitutes personal and substantial participation in regulatory or licensing decisions when deciding which positions to include on the c-list. The OEIG recommended that the Governor's Office work with the initial subject agency's leadership to review and add certain positions to the agency's c-list. Because the investigation suggested that other agencies with regulatory or licensing functions might be in a similar position to the subject agency, the Governor's Office reported that it also offered a revolving door training session during the 2022 Ethics Officer Conference and provided guidance materials to ethics officers and general counsels, including a directive to review and update position descriptions, review and update c-list and h-list designations, and secure acknowledgements from persons serving in those positions. The Governor's Office also reported that it was working with the OEIG to develop additional revolving door trainings for agency ethics officers and agency staff.
- **OEIG Case #20-00474:** In this investigation, the OEIG examined an agency's use of unofficial temporary assignments to fill positions instead of using established hiring

and temporary assignment procedures. Although the agency had a long-standing practice of using unofficial assignments for a variety of reasons, it had begun working internally to significantly reduce the number of such assignments after the OEIG began reviewing the practice. In response to OEIG recommendations that the agency provide training, oversight, and administrative support to managers and administrative staff who utilize temporary job assignments, the Governor's Office responded that it would work with the agency to continue to improve its use and documentation of temporary assignments of all kinds. The Governor's Office also obtained a commitment from the agency to add training on the use of temporary job assignments to pre-existing training modules for supervisors, and to offer refresher training on the use of temporary job assignments every six months.

- **OEIG Case #21-00459:** The OEIG received an allegation that numerous reports of incidents at State-licensed facilities serving vulnerable populations were deleted by agency employees without review. The OEIG discovered that the agency was aware of the issue, conducted an internal investigation, and took remedial steps. The OEIG still recommended that the agency establish comprehensive policies and procedures to address such incidents. In response to this recommendation, the Governor's Office responded that it confirmed the agency took immediate responsive measures, including personnel changes and employee training; ensured the agency developed written Standard Operating Procedures to address intake, review, tracking, and follow-up for all incident reports received; and worked closely with the agency to identify organizational changes needed to promote consistency and accountability, the implementation of which it would continue to monitor.
- **OEIG Cases #19-00659 and 20-00122:** In these investigations, the OEIG discovered that two agencies' timekeeping practices did not appear to comport with Ethics Act timekeeping requirements. Specifically, the Ethics Act directs agencies to establish policies that "require employees to document the actual time spent each day on official State business to the nearest quarter hour." In both agencies, however, timesheets did not provide a clear record of which hours an employee worked and did not indicate start, stop, or break times for each day worked. As such, it would be difficult for anyone reviewing the timesheets to discern whether any time abuse or other misconduct may have occurred on State time. The OEIG recommended that the Governor's Office work with both agencies to bring their respective timekeeping systems into compliance with the Ethics Act. In response, the Governor's Office indicated that in the long term, it was working on implementing the State's new Human Capital Management system (HCM) to "provide much needed automation and standardization to ensure Ethics Act compliance in timekeeping practices" at these agencies. While the HCM rollout proceeds, the Governor's Office identified short-term adjustments to the agencies' timekeeping systems to improve compliance, noting that both of these agencies would amend their employee timekeeping policies and timesheets to ensure that employees documented time spent each day on official State business to the nearest quarter hour.

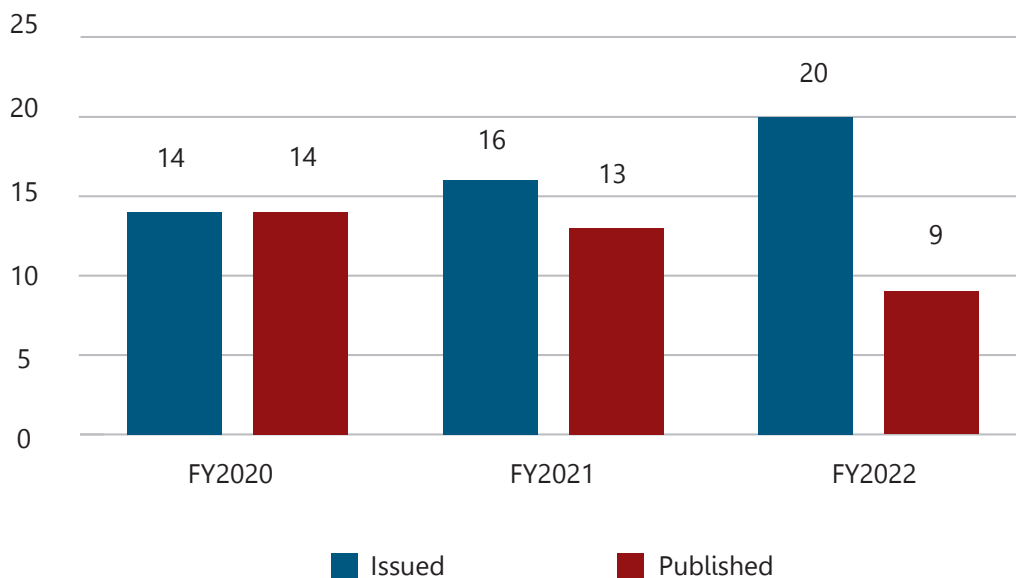
- **OEIG Case #19-00457:** In this investigation, the OEIG examined whether an agency employee was retaliated against. The investigation revealed concerns with the agency's attendance-related policies as applied to employees approved for FMLA, as well as the agency's documentation of requests for psychological examinations of employees and the improper sharing of results of such examinations. In response to recommendations that the agency update and amend several agency policies, the Governor's Office responded that it had instructed the agency's Human Resources Department and Chief Compliance Officer to make specific changes, consistent with the OEIG's recommendations, to the agency policies relating to use of psychological examinations of employees and timekeeping documentation for FMLA-approved employees, and then to provide training on any new forms related to these policy changes.
- **OEIG Case #21-00250:** In this investigation, the OEIG examined whether an agency entered into multi-year employment contracts with several current employees and provided those employees with a retention bonus. The OEIG recommended that the agency review its hiring practices and work to ensure that it implements better hiring practices consistent with the Governor's Comprehensive Employment Plan for Agencies Under the Jurisdiction of the Governor (CEP), and review its award of retention bonuses with regard to the State Finance Act. The Governor's Office responded that it was prompted by the referral to review the issues carefully and to discuss them with the agency. Specifically, after a review of the matter, the Governor's Office concluded that the agency is not required to follow the CEP because it is fully exempt from the Personnel Code, but nevertheless provided a copy of the CEP to the agency and requested that the agency consider whether to adopt policies that are similar to the most critical aspects of the CEP to ensure a robust, competitive and fair hiring process. Additionally, the Governor's Office concluded that based on the circumstances, it did not believe the retention bonuses violated the State Finance Act but discussed the concerns in the referral with the agency, and the agency indicated the current leadership did not intend to enter into similar contracts going forward.
- **OEIG Case #19-01417:** In this investigation, the OEIG examined several complaints regarding whether an agency permitted a Human Resources (HR) employee to participate in the hiring of a relative and had an employee in a temporary assignment for more than one year. In response to recommendations that the agency remind HR and other relevant agency personnel that hiring rules prohibit relative involvement in the hiring process and to rotate and limit the duration of temporary assignments, the Governor's Office responded that it consulted with the agency and ensured that relevant staff understood the issues raised by the referral and were assured that a scenario like the problems described in the referral would not occur under the agency's current processes.

PUBLICLY DISCLOSED FOUNDED REPORTS

Within 30 days after receiving the initial agency response to a founded report, the OEIG must forward a copy of the report and agency response to the EEC unless the OEIG believes a complaint should be filed alleging a violation of the Ethics Act, as discussed further below. The EEC reviews OEIG founded reports and determines whether each report will be published. The Ethics Act requires the publication of founded reports if a report resulted in a suspension of three or more days, or termination of employment. The EEC can use its discretion to decide whether other founded reports will be made public.

During FY2022, the EEC made nine founded reports of OEIG investigations available to the public, along with the relevant agency responses and responses that the subjects of the investigations chose to submit. The EEC redacted these reports and responses. Reports are not always made public in the same year the OEIG issued the reports, mostly due to the amount of time an agency needs to take disciplinary or corrective action, and then for that disciplinary process to be concluded following any grievances or other administrative hearings.

Founded Reports Issued by the OEIG and Reports Published by the EEC FY2020 - FY2022



Below are summaries of the founded reports published in FY2022. The summaries are organized by category based on the primary type of misconduct. These redacted reports, as well as reports from past fiscal years, can be found on the OEIG website: oeig.illinois.gov.

Mismanagement

OEIG Case #17-01266

The OEIG received a complaint alleging that employees at an Illinois Department of Corrections (DOC) Correctional Center improperly raised funds for an Employee Benefit Fund (EBF) and that employees performed EBF activities during their State work hours. EBFs fund various activities for DOC employees, such as holiday parties and cookouts, as well as making funeral donations and funding gifts for retiring employees. The OEIG learned that EBFs existed at all of the DOC Correctional Centers and at DOC's central administrative office, and expanded the investigation to examine the EBFs in additional facilities as well as DOC's oversight of the EBFs Statewide.

The OEIG discovered that the EBFs at each facility operated independently, with little to no oversight, whether through audits, implementation of clear policies and procedures, training, or otherwise. Although DOC's Administrative Directives limited the primary source of the EBFs' revenues to profits from vending machines and employee commissaries, most of the EBFs expanded their revenue streams by generating large sums of money from fundraising. These expansive fundraising efforts, in turn, led to various problematic practices, such as soliciting donations from local businesses without ensuring that they were not State vendors, improperly holding raffles, selling merchandise in a way that

evaded statutory and DOC limitations, and allowing staff to devote large amounts of State time to EBF activities. In addition, the investigation discovered that the EBFs spent much of the funds they raised on employee entertainment without oversight, and in some cases only benefited a select few employees, which appeared to be contrary to an Administrative Directive. The EBFs also improperly used inmate labor for their fundraisers.

The OEIG concluded that although it is reasonable for DOC employees to participate in activities designed to boost morale, especially given the difficult nature of DOC work, DOC lacked adequate centralized oversight and controls over EBF funds, and therefore exposed the funds to mismanagement, abuse, or fraud. In addition, the OEIG concluded that the failure of proper oversight allowed problematic practices to develop in the individual EBFs. The then-Acting Director had ultimate

“Controls must be implemented from the top down, but as the investigation discovered this ha[d] not been done with the EBFs despite the amount of money involved in their operation.”

authority over the EBFs, and the Chief of Staff was the point person for the EBF system and was heavily involved with them. The OEIG found that the Acting Director and Chief of Staff mismanaged the EBFs and violated the Unified Code of Corrections' prohibition against using inmate labor for non-public purposes.

The OEIG recommended that the Governor's Office direct DOC to implement and enforce policies and procedures regarding the operation of the EBFs; take necessary steps to ensure the EBFs are operated in accordance with applicable laws, regulations, and policies; train employees involved in EBF activities; conduct regular

audits of the EBFs; and cease allowing inmate labor to be used for EBF fundraisers. In addition, the OEIG recommended that the Governor's Office take whatever action it deemed appropriate regarding the Acting Director and Chief of Staff.

In response to the report, and at the direction of the prior and current gubernatorial administrations, DOC undertook an extensive review and overhaul of EBF procedures. The Acting Director was replaced due to the change of gubernatorial administration, and the Chief of Staff was suspended for 15 days and no longer has a role in oversight or management of the EBFs.

OEIG Case #20-00033

The OEIG investigated a complaint alleging that certain offenders incarcerated at the DOC Danville Correctional Center received improper Earned Program Sentence Credit ("Earned Time") as a result of changes to how paperwork was created and processed by DOC staff. These changes were instituted by an Educational Administrator.

Prior to the time period covered by the OEIG's investigation, offenders engaged in an educational program had all of their classes listed on a single "Goal Statement," which was processed at the end of each semester. If DOC staff determined that the offender met certain attendance and academic goals listed in the Goal Statement, they were awarded one half-day of Earned Time per class day, which reduced the time the offender was required to serve in prison. As required by DOC policy, however, only offenders studying on a full-time basis were eligible to receive Earned Time.

As a result of changes instituted by the Educational Administrator in January 2019, Danville Correctional Center staff prepared a separate Goal Statement for each class that an offender took during the 2019 academic year, rather than a single Goal Statement listing all classes. Each Goal Statement was processed individually and without regard for whether the relevant offender was a full-time student, resulting in more than 9,200 days of Earned Time awarded

"115 individual offenders each received an average of more than 80 days of Earned Time. Not only were those offenders not eligible for that Earned Time, the average amount received was more than three times the statewide average for college-level academics[.]"

to 115 offenders. The OEIG's investigation determined, however, that none of those offenders actually met the criteria for full-time status even when all of their classes were considered together. As such, the offenders were ineligible for Earned Time. Moreover, because each Goal Statement was processed individually, the offenders received far more Earned Time than they would have been entitled to even if they had been full-time students.

The OEIG concluded that the Educational Administrator was aware that using separate Goal Statements for each class an offender took could result in excess and/or otherwise improper Earned Time awards if an analysis was not first done to determine that the offender was in fact a full-time student.

Nevertheless, the Educational Administrator acknowledged that he knowingly approved Goal Statements for offenders who were not full-time students, and that doing so was improper under DOC's rules. The OEIG's investigation further found that the Educational Administrator's supervisor knew that he was using separate Goal Statements for each class, and failed to ensure that appropriate steps were taken to award Earned Time only to eligible offenders. The OEIG therefore concluded that the Educational Administrator and his supervisor mismanaged the Earned Time program at Danville Correctional Center. In response to the report, DOC agreed to counsel both men, and provided additional training to the Educational Administrator related to Earned Time awards.

OEIG Case #21-00826

The OEIG opened an investigation into whether the then-Illinois Law Enforcement Training and Standards Board (ILETSB) Executive Director improperly provided a Law Enforcement Officer certification to a specific individual (hereafter the "Donor"), certifying the Donor as a part-time law enforcement officer without the Donor having the requisite training.

Based on its investigation, the OEIG learned that the Donor had made significant charitable donations to ILETSB and other law enforcement organizations, and the Executive Director and ILETSB also made requests to the Donor for funds. In 2018, a county Sheriff's Office sought a waiver from ILETSB for the Donor so that he could serve as a part-time undersheriff. Although waivers had previously only been granted to

"Issuing a law enforcement certification to anyone that does not meet the necessary requirements can have significant consequences, and does not comport with ILETSB's duty to promote and maintain a high level of professional standards for law enforcement officers."

officers who had been through the prescribed minimum standard basic training course or an equivalent training course out of State and taken the requisite examination, the Donor was approved for a waiver by the Executive Director although the Donor had not

completed such a training course or sat for the examination. In addition to approving the waiver, the Executive Director provided the Donor with a certification indicating that the Donor was certified to be a part-time law enforcement officer when, in fact, the Donor did not meet the requirements for certification. The Donor provided this ILETSB certification to other entities in support of his law enforcement credentials.

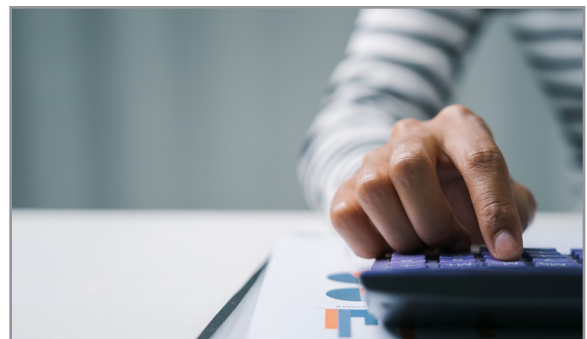
Ultimately, the OEIG concluded that the Executive Director engaged in mismanagement and malfeasance by improperly issuing the certification to the Donor and issuing the waiver based on inappropriate factors. The OEIG recommended that ILETSB terminate

the Executive Director's employment with ILETSB; design and implement policies and procedures regarding conflicts of interest; educate Board members on the scope and authority of the Executive Director position and the Board itself so that it may better understand its role in ensuring that certifications and waivers are appropriately issued; and thoroughly examine a then-pending waiver request for the Donor to determine whether a waiver would be appropriate based on the Donor's qualifying experience. In response to the report, ILETSB terminated the Executive Director's employment and denied the pending waiver request for the Donor.

OEIG Case #16-00650

In this case, the OEIG investigated a vendor of the Department of Human Services (DHS) and a provider of services under the federal *Williams* Consent Decree. The *Williams* Consent Decree enables class members to move from institutional settings into communities where they can live independently with professional support. Class members who, due to mental illness, are incapable of managing their own money, rely on service providers to manage their Social Security benefits. The OEIG received a complaint alleging that the vendor stole \$700 from a particular class member. The investigation into the vendor's handling of that class member's money developed into a broader inquiry into the vendor's handling of funds on behalf of its other mental health clients.

Based on its investigation, the OEIG learned that the vendor was missing numerous relevant accounting documents and the



existing accounting documents frequently contained inconsistent cash distribution amounts to its clients. For instance, in one month, the documents had more than \$15,000 in class member funds unaccounted for. Moreover, the vendor's accounting documents contained significant discrepancies in tracking individual class member account balances. The OEIG discovered that many of these accounting issues continued even after the vendor transitioned to a less cash-based system.

Accordingly, the OEIG concluded that the vendor and several specific vendor employees failed to manage the cash system in a manner consistent with sound fiscal standards and failed to maintain internal controls that were consistent with any generally accepted accounting principles. The OEIG also determined that the vendor's accounting and documentation failures made it impossible to determine what happened to the \$15,000 of unaccounted for class member funds or the \$700 of the class member's funds which prompted the investigation, or to determine whether the vendor's staff misappropriated the funds of other class members.

Based on the foregoing, the OEIG recommended that DHS audit the vendor's accounting of State funds, ensure monitoring of the vendor's accounting, and prohibit the specific involved employees from working with State funds. In response to the report, DHS conducted several fiscal reviews of the vendor, which resulted in the recovery of \$15,055.76, and placed the vendor on a corrective action plan. DHS also reported that none of the involved employees were employed by the vendor any longer.

OEIG Case #16-00167

DHS provides subsidies through its Child Care Assistance Program (CCAP) so that low-income families can receive quality, affordable childcare services. The OEIG received a complaint alleging that payments for CCAP-related childcare services were issued in the name of an individual who had never provided childcare services and had never received any of these payments. The investigation revealed that instead, the subject repeatedly falsified CCAP applications and monthly billing certificates over the course of several years to state that individuals were providing childcare services for her children when they were not and, along with her boyfriend, obtained tens of thousands of dollars in improper payments as a result. The OEIG referred this matter to the Attorney General, which indicted the subject and her boyfriend on charges of fraud and theft relating to her falsification of CCAP documents and their receipt of payments from the State for childcare services not rendered. Ultimately,

the subject and her boyfriend each pled guilty to one felony count.

The investigation further revealed that at the time of her fraud, the subject was operating a daycare center that was also receiving State funding through the CCAP based on her completion of monthly billing certificates and submission of these certificates to DHS for payment for other children. Given the subject's indictment for serious fraud relating directly to her falsification of CCAP applications and monthly billing certifications, the OEIG found she was unfit to operate a childcare center that received significant money from the State of Illinois based almost exclusively on her completion of the very same documents and her assertion that they were true and accurate. The OEIG also found that the daycare center engaged in mismanagement by having the subject operate the business and complete CCAP

paperwork. As a result of this investigation, DHS terminated the subject as a CCAP client and terminated the daycare center as a childcare service provider. In addition, DHS

is seeking to collect a debt of over \$54,000 from the subject and is working on adopting administrative rules to better address CCAP program sanctions.

Prohibited Political Activity

OEIG Case #19-00664

The OEIG received a complaint alleging that a then-University of Illinois at Chicago (UIC) Human Resources (HR) Clerk, who was also a candidate for political office, worked on her campaign during State time. Investigators also investigated whether the HR Clerk misappropriated State resources for political reasons.

“Given the volume of campaign-related emails sent to and from [the HR Clerk]’s State account, it is clear that these emails were not sent accidentally or unintentionally. It is also clear that these emails were sent in furtherance of [the HR Clerk]’s campaign as demonstrated by her requests to other UIC employees to print out campaign materials for her, including a candidate questionnaire, a parade flyer, and walking lists.”

The Ethics Act prohibits State employees from using State-compensated time or resources to perform various political activities. The investigation revealed that the HR Clerk sent nearly 50 campaign-

related emails to and from her State email account when she was running for a position with a local school board. Specifically, the HR Clerk sent numerous emails containing campaign expenditure and contribution information, campaign literature, a campaign questionnaire, and information about campaign canvassing and other campaign events. The investigation further revealed that three times during this period, the HR Clerk posted campaign-related material on her campaign social media account during State-compensated time. Finally, the OEIG found that the HR Clerk exploited other UIC employees by having them print campaign-related materials for her on State printers, even telling one employee, “Don’t let anyone see you [please].”

The OEIG concluded that the HR Clerk violated the Ethics Act and UIC’s policy prohibiting political activity on State time and using State resources. The OEIG also concluded that the HR Clerk violated UIC policy when she abused State time, personnel, and property to work on her campaign—an activity that was not officially approved by UIC. The HR Clerk was terminated for this misconduct.

Conflicts of Interest

OEIG Case #19-01857

The OEIG received complaints involving the then-Illinois Teachers' Retirement System (TRS) Chief Information Officer (CIO). As part of this investigation, the OEIG examined the CIO's involvement in selecting contractual employees at TRS from a Consulting Firm that the CIO owned but claimed to sever all ties with when he became the TRS CIO.

At the time of this investigation, when TRS needed work for Information Technology (IT) projects, TRS issued Task Order Requests for Personnel (Task Order Requests) to specific companies that had contracts with TRS for the relevant type of work (known as "contractors"). Contractors could respond by submitting their candidates. In some cases, the candidates were subcontractors of the contractors. Once TRS received the submissions, it reviewed the proposed IT professionals and selected a candidate for the position. TRS paid the contractor for the professional's services according to a previously-set fixed hourly rate.

The CIO had previously served as the President and Chief Executive Officer of the Consulting Firm and was selected to be a contractual Project Manager for TRS (subcontracted through the Consulting Firm); in his capacity as TRS Project Manager, he was involved in awarding TRS contractual positions via the process described above. Although the CIO claimed to have severed all ties with the Consulting Firm

when he later became TRS CIO, evidence uncovered in the OEIG investigation showed that for months after obtaining his position, the CIO continued to be listed in the Consulting Firm's corporate records as the Chief Executive Officer and Registered Agent, and his personal cell phone number and an email address in his name were listed on the Consulting Firm's website as contact information for the business. Also, while serving as the TRS CIO, he had a family member who was listed as an "Authorized Person" for the Consulting Firm and other family members were listed as officers for the Consulting Firm and owned the home where the CIO lived. Additionally, in the six months after becoming the CIO, over \$30,000 was paid from the Consulting Firm's checking account to a credit card company account via transactions that were identified in the name of the CIO.

The OEIG investigation revealed that, despite the above-referenced connections to the Consulting Firm, the CIO was actively involved in filling a TRS Business Analyst position after TRS issued a Task Order Request to approved contractors who then submitted subcontracted candidates for the positions. Specifically, the investigation revealed that for a Task Order Request that was ultimately awarded to a Consulting Firm candidate, the TRS CIO updated the position description, directed a TRS



employee to issue the Task Order Request, rejected a candidate submitted by another TRS contractor, and directed another TRS employee to schedule interviews with the Consulting Firm's candidate and other candidates that the CIO identified. The CIO subsequently signed the document executing the Task Order Award to the Consulting Firm's candidate.

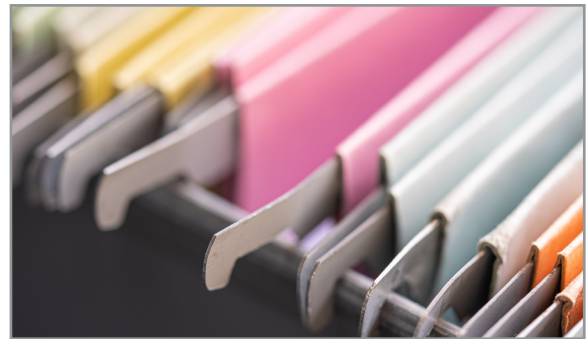
The OEIG found that there was reasonable cause to conclude that the CIO had a conflict of interest when he was involved in awarding a position to a candidate subcontracted through a business that he and/or his

close family members operated. While the OEIG's investigation was pending, however, the CIO resigned from TRS employment. TRS ultimately implemented the OEIG's recommendations by placing a copy of the OEIG's report in the CIO's personnel file, indicating that he would not be rehired, and adding the Consulting Firm to TRS' list of prohibited vendors. TRS implemented additional OEIG recommendations by developing more detailed procedures for identifying and addressing conflicts of interest and, at the time of the response, was in the process of ensuring that employees were trained on these updated procedures.

Misconduct

OEIG Case #19-02400

During the course of an investigation into alleged misconduct associated with a property tax appeal pending before the Property Tax Appeal Board (PTAB), the OEIG became aware of allegations that PTAB's then-Executive Director deleted documents related to the property tax appeal in question. The OEIG's investigation into these deletion allegations revealed that on February 20, 2020, PTAB issued a litigation hold to its employees including the Executive Director instructing them to preserve all physical and electronic records related to that appeal. As part of the investigation, the OEIG also interviewed a PTAB Information Technology (IT) employee, who stated that the Executive Director appeared to have deleted materials both from a network share drive and from his email account after the litigation hold took effect.



PTAB's IT staff was able to recover the deleted materials using regularly-maintained backups. In doing so, it found that certain materials from the Executive Director's email inbox were only found in a "Trash" folder on the State's email server. According to PTAB's IT staff, this meant that the Executive Director deleted certain emails twice – once from his inbox, and again from his personal "Trash" folder. The OEIG reviewed the recovered materials and determined that they

did not affect the original investigation. The OEIG attempted to interview the Executive Director regarding these allegations but he declined the OEIG's request for an interview.

Among other things, the OEIG ultimately concluded that the Executive Director violated general PTAB policy and the specific litigation hold related to the property tax appeal in question by deleting PTAB files

and emails. The OEIG recommended that the Executive Director who left PTAB while the OEIG's investigation was ongoing not be rehired by the State, and that a copy of its report be placed in his personnel file. In response, PTAB placed the report in his file.

Inaccurate Timekeeping

OEIG Case #17-01435

The OEIG received a complaint alleging that a then-DHS Human Resources (HR) Associate who worked at the Elisabeth Ludeman Developmental Center (Ludeman Center) received payments for the same working hours under two different assistance programs offered through DHS, and that these hours may have also overlapped with the times she reported working at the Ludeman Center.

DHS offers in-home care service to eligible individuals through two different programs. The Division of Rehabilitation Services Home Services Program pays for severely disabled individuals to hire Personal Assistants (PA) to help with household tasks, personal care, and certain health care procedures so that they may remain in their homes. Similarly, DHS' Division of Developmental Disabilities Home Services Program allows customers to pay for a Personal Support Worker to assist with activities of daily living. To verify work hours and determine pay, both PAs and Personal Support Workers must complete

and submit paper timesheets. PAs must also call an Electronic Voice Verification (EVV) system, using a customer's home telephone, at the beginning and end of each of their shifts. According to DHS policies, PAs "can only be paid for the hours they worked for the customer per the Home Services Program Service Plan," and Personal Support Workers are "fully liable for the truth, accuracy, and completeness of all claims for payment submitted electronically or in hard copy."

The HR Associate acted as both a PA and Personal Support Worker for a family member since 2005. OEIG investigators compared the HR Associate's PA and Personal Support Worker timesheets, as well as her EVV records, between July 2012 and March 2016, and concluded that the HR Associate had billed DHS for 378 overlapping hours and received \$4,680.05 in pay for those hours. OEIG investigators also compared the HR Associate's PA and Personal Support Worker timesheets with her Ludeman Center time records and

found that there were 152 hours of apparent overlap amounting to approximately \$1,976 in pay for these hours.

OEIG investigators interviewed the HR Associate, who confirmed that she acts as both a PA and a Personal Support Worker for her family member, with whom she lives. The HR Associate said that she was aware that she could not double bill for her time spent as a PA and a Personal Support Worker. Investigators directed the HR Associate to examples of some of the overlapping times, and she stated that these were errors on her part. The HR Associate stated that she completed her PA and Personal Support Worker timesheets at the end of the pay period, and that she estimated the dates and times she worked based on her memory of when she provided services. The HR Associate further explained that she also typically rounded the times to make calculations easier. The HR Associate said that any overlap between Ludeman sign-in sheets and her PA or Personal Support Worker timesheets was as a result of errors on the latter, and she insisted that times she recorded on her Ludeman Center sign-in sheets were accurate.



Because the HR Associate admitted that her PA and Personal Support Worker timesheets were inaccurate, in violation of DHS policies, the OEIG recommended DHS take whatever action it deemed appropriate with regard to the HR Associate for violating DHS policies. As a result of the investigation, DHS is seeking to collect approximately \$6,900 in improper pay from the HR Associate, who retired from State service. DHS also determined that the HR Associate would be ineligible to work as a PA or Personal Support Worker.

OEIG FOUNDED INVESTIGATIONS BASED ON VIOLATIONS OF THE ETHICS ACT

If the OEIG conducts an investigation and determines that there is reasonable cause to believe that a violation of the Ethics Act has occurred—such as prohibited political activity, retaliation, sexual harassment, a revolving door or gift ban violation, or failure to cooperate with an OEIG investigation—the OEIG issues a founded report to the affected agency to pursue disciplinary or other appropriate action (in accordance with the process described above). Additionally, the OEIG may also ask the Illinois Attorney General’s Office (Attorney General) to file a complaint regarding this misconduct. After reviewing the OEIG’s investigative materials, the Attorney General can decide to file a complaint, on the OEIG’s behalf, with the EEC. If the EEC determines that a violation of the Ethics Act did indeed occur, the EEC may impose an administrative fine or take other appropriate injunctive relief. The EEC’s decision to impose a fine or injunctive relief is subject to judicial review.

In FY2022, the EEC publicly disclosed one decision after the OEIG found reasonable cause to believe that a violation of the Ethics Act occurred, and the Attorney General brought a complaint before the EEC on the OEIG’s behalf. This decision involved a violation of the Ethics Act revolving door provisions. As of the close of FY2022, there is one additional Ethics Act case that remains pending with the EEC, based on an investigation conducted by the OEIG. EEC decisions on Ethics Act complaints can be found on the OEIG’s website: oeig.illinois.gov.

The revolving door provisions of the Ethics Act prohibit State employees from accepting non-State employment with, or receiving compensation from, a non-State entity, for “one year immediately after termination of State employment” if, within one year immediately prior to separation from State employment, the employee participated personally and substantially in the award or fiscal administration of State contracts, change orders, or grants with a cumulative value of \$25,000 or more to his or her prospective employer, or in a regulatory or licensing decision directly applicable to his or her prospective employer. 5 ILCS 430/5-45(a) and (b). The EEC has the authority to fine a State employee who accepts compensation or employment in violation of these provisions in an amount of up to three times the annual compensation that would have been obtained in violation of the Ethics Act’s revolving door employment prohibitions. The EEC can also issue a fine of up to \$5,000 to a former State employee who is on the c-list and accepts employment without obtaining a determination from the OEIG regarding the prospective post-State employment offer. Below is a summary of the EEC’s FY2022 decision on a revolving door complaint.

Haling v. Smith, 21-EEC-004

Thomas Smith worked for TRS from 2015 until he was terminated on October 1, 2018. Mr. Smith remained on the State's payroll through October 15, 2018. When employed at TRS, Mr. Smith was classified as a c-list employee, which meant that he was required to notify the OEIG prior to accepting non-State employment for a period of one year following the termination of his State employment. Like all State employees, Mr. Smith participated in annual ethics training, which outlined the revolving door restrictions and notification requirements. Additionally, on October 3, 2018, the TRS Ethics Officer advised Mr. Smith of his obligations under the Ethics Act revolving door provisions.

The OEIG's investigation revealed that during the year preceding termination of State employment, Mr. Smith participated personally and substantially in preparing and executing an IT staff augmentation Request for Proposal (RFP), through which consulting entity Provaliant Retirement, LLC (Provaliant) was selected as a vendor. On July 23, 2018, TRS then entered into an agreement for Provaliant to provide professional IT services to TRS for the IT augmentation project, at a cost that eventually valued in excess of \$100,000. Mr. Smith drafted the IT staff augmentation RFP, evaluated and served as the principal scorer of the bidders that responded to the RFP, and assisted in the selection of Provaliant employees to staff the IT augmentation project.

During the year after he left State employment, Mr. Smith incorporated a business and entered into an Independent Contractor's Agreement with Provaliant

“Not only should he [Mr. Smith] have been aware of his duty to seek a determination from the OEIG with respect to the offers of employment from TRS IT contractors, he admitted that he had known about the requirement and had committed the violations.”

to provide consulting services for which he billed and accepted compensation from Provaliant. Mr. Smith did not notify the OEIG that he accepted this role with Provaliant.

The OEIG brought a two-count complaint to the EEC through the Attorney General alleging that Mr. Smith violated the Ethics Act when he: (1) was personally and substantially involved in the award of a State contract to Provaliant with an aggregate value in excess of \$25,000 and then during the year subsequent to his departure from State employment he billed and received compensation or fees for services from Provaliant; and (2) failed to notify the OEIG prior to entering into a contract with Provaliant. The EEC granted the State's unopposed Motion for Summary Judgment and concluded that Mr. Smith violated the revolving door provisions of the Ethics Act by working for Provaliant within the year after leaving State employment and receiving compensation in the amount of \$21,662, and failing to notify the OEIG that he was offered employment by Provaliant. As a result, the EEC fined Mr. Smith a total of \$11,331.



Hiring & Employment Monitoring

The Executive Inspector General created the Hiring & Employment Monitoring (HEM) Division in 2016 to fulfill the OEIG’s statutory mandate to “review hiring files and employment files of each State agency within its jurisdiction to ensure compliance with *Rutan v. Republican Party of Illinois* . . . and with all applicable employment laws.” 5 ILCS 430/20-20(9). HEM conducts non-investigative, compliance-based reviews of State hiring and employment processes and decisions and provides recommendations to help improve State hiring.

RECENT WORK & DEVELOPMENTS

U.S. Court of Appeals Decision in *Shakman* (No. 21-1739, 2022 U.S. App. LEXIS 21689 (7th Cir. Aug. 5, 2022):

Over the course of the past 50 years, the *Shakman* consent decree has resulted in the federal court’s examination of hiring and employment practices of various Illinois governmental entities to assess and remedy any undue political influence. In 2014, the OEIG issued Founded Report No. 11-01567, an investigation addressing the political patronage hires of individuals into improperly-designated “exempt” “Staff Assistant” positions at the Illinois Department of Transportation (IDOT) during the Blagojevich and Quinn Administrations. This case resulted in the appointment of a special master in the *Shakman* case to examine hiring and employment practices at agencies under the Governor.

During the *Shakman* litigation, HEM worked with the special master and two different gubernatorial administrations to review and create a finite list of properly designated “exempt positions” in State agencies; develop a Comprehensive Employment Plan (CEP) that includes processes for exempt and non-exempt hires; and provide significant training on these new processes and policies to agency human resources personnel. HEM worked extensively on the review and proper classification of positions at IDOT. Additionally, HEM began and continues to conduct real-time monitoring of State hiring processes and issues Advisories to agencies when it identifies a potential problem. HEM issues quarterly reports of its activities, which include summaries of all Advisories. The State now also has a conflict check process for hiring and a portal for reporting political contacts made during a non-exempt hiring process.

These new and unprecedented measures were key to the Seventh Circuit’s conclusion that

the State had come into compliance with the *Shakman* decree. The Court of Appeals opinion recognized the role of the OEIG in ensuring State hiring decisions are free from political and other types of manipulation, noting:

Beyond the development of a Comprehensive Employment Plan, the [S]tate now has in place the Hiring & Employment Monitoring Division within the Office of Inspector General and a limited Rutan exempt list, among other things. That many of these measures have remained in place for several years with no findings of constitutional violations in or across individual or employment decisions speaks to the stability of the [S]tate's, and by extension, the Governor's reform measures.

Significant strides have been made in State hiring through the efforts of all those involved in the *Shakman* litigation, as well as numerous State personnel. While the litigation may have ended, the OEIG and HEM's work has not. HEM will continue its comprehensive monitoring and reporting; it will continue to work with agencies to ensure best practices; and the OEIG will continue to investigate hiring allegations to ensure State hiring is free of undue influences.

HIRING SEQUENCE MONITORING AND DESK AUDITS



HEM assesses agency compliance with the CEP and other governing authority by monitoring hiring sequences in real time and conducting desk audits of completed hiring sequences. HEM selects hiring sequences to monitor in various ways. Some sequences relate to complaint referrals, discussed further below. Others are selected based on HEM's review of vacancies posted for competitive selection in SuccessFactors, the State's electronic hiring system, also discussed below. When HEM monitors a

hiring sequence, in addition to observing all interviews, HEM is involved with the agency from the beginning to the end of the hiring sequence, starting with reviewing the work that occurs before the agency posts the position, including updating the position description and drafting application questions, screening criteria, interview questions and ideal answers, and ending with the hire of the successful candidate.

Due to the ongoing Covid-19 pandemic, the State continues to conduct most interviews remotely through WebEx, and HEM similarly monitors most sequences remotely. In FY2022, HEM monitored a total of 11 hiring sequences.

In FY2022, HEM also completed its four-year review of all term appointment positions. The completion of this four-year review in turn allowed HEM to increase its desk audits of completed hiring sequences for non-term appointment positions in FY2022. When HEM conducts a desk audit of a hiring sequence, HEM reviews all documentation related to the sequence, as it would for a monitored sequence, but does not observe the actual interviews, instead thoroughly reviewing the interview paperwork to ensure the selection decision was merit-based and justifiable. Unlike monitored hiring sequences, for desk audit sequences an agency typically does not know HEM has selected a sequence for review until after the sequence is completed. This allows HEM to assess compliance for sequences in which agencies are unaware of HEM's involvement. HEM completed 26 desk audits this fiscal year.

COMPLAINT REFERRALS AND TRANSFERS TO INVESTIGATIONS

During FY2022, the OEIG referred 31 complaints to HEM for compliance review. A complaint is often referred to HEM if it involves allegations of a violation of the CEP or a breach of a hiring-related procedure or policy. HEM's compliance function and knowledge of State hiring procedures allow HEM to efficiently evaluate whether a hiring sequence was conducted appropriately. If a violation is discovered that may have impacted the outcome of a hiring sequence, HEM can often intervene before, during, or shortly after the violation occurred, to remedy the issue. HEM issued 24 Advisories based on complaint referrals in FY2022.

HEM's initial review of a complaint sometimes reveals evidence of misconduct that needs further investigation. In such instances, HEM will transfer the complaint to the OEIG Investigations Division. In FY2022, three complaints were transferred from HEM to Investigations.

SUCCESSFACTORS

Many of the sequences HEM reviewed in FY2022 were completed in SuccessFactors, the State's new electronic hiring system. Unlike the previous, paper-based hiring system, in which applicants for State employment applied to broad position classifications, individuals now apply online for specific vacancies.

Through the end of FY2022, only non-union positions were being filled through SuccessFactors. However, all union positions posted after July 1, 2022 will now also be

processed through SuccessFactors. The implementation of SuccessFactors is a significant departure from the manner in which the State has hired employees for decades. The use of SuccessFactors provides a great deal more transparency in State hiring and gives rise to more competitive hiring sequences and the selection of better-qualified candidates. In addition, the new system also makes it easier for applicants who are not already State employees to be considered and hired for State employment.

And finally, the use of SuccessFactors allows for easier compliance review of hiring sequences to ensure policies and procedures are properly implemented. With the use of SuccessFactors, all hiring paperwork is either completed electronically or uploaded by the agency in the regular course of the hiring sequence. HEM and the CMS Compliance Office have access to all hiring sequences in SuccessFactors and HEM can now access hiring sequence documentation on its own without submitting a request to the hiring agency.

EXEMPT LIST APPOINTMENTS AND MODIFICATIONS

In FY2019, as part of the *Shakman* litigation, HEM greatly assisted in finalizing the first Exempt List. The Exempt List is a comprehensive list of all positions under the Governor's jurisdiction primarily responsible for policymaking such that political affiliation is an appropriate consideration in hiring candidates for these positions. The Exempt List is posted publicly on CMS' website [here](#), and updated monthly.

As set forth in the CEP, HEM continues to review all appointments of individuals to Exempt List positions, as well as all positions proposed for addition to or deletion from the Exempt List, and position description clarifications for Exempt List positions. HEM reviews certification paperwork for every candidate for an exempt position prior to the individual starting in the position to ensure the proposed candidate meets the minimum qualifications of the specific position being filled. In FY2022, HEM reviewed 345 exempt appointment packets.

From time to time, positions may need to be added to or deleted from the existing Exempt List. These changes are submitted by the Governor's Office and are often due to changing Administration priorities, new agency mandates, or agency reorganizations. HEM reviews all Exempt List modification submissions and approves or objects to the proposed change within 10 business days. In vetting these submissions, HEM considers all relevant factors, including but not limited to, the justification for the request; the position duties, reporting structure, and minimum and preferred qualifications; existing exempt positions at the agency; and the agency's percentage of exempt positions in relation to its total headcount.

In FY2022, HEM made 51 determinations regarding Exempt List modifications, as follows:



HEM also reviews all clarifications to position descriptions for positions on the Exempt List. Position description clarifications might include a county change, a change in subordinates, or slight modifications to the position duties. HEM reviewed 265 exempt position description clarifications in FY2022.

EXEMPT PERSONAL SERVICES CONTRACTS (PSCs)

Under the CEP, HEM also reviews all proposed exempt Personal Services Contracts (PSCs). The State utilizes PSCs for short-term, project-based work. Like positions on the Exempt List, exempt PSCs involve policymaking; however, due to the limited duration of the work, the establishment of a fulltime position is unnecessary. Additionally, competitive selection is not required for exempt PSCs due to the policymaking work. Instead, CMS submits all proposed exempt PSCs to HEM for HEM’s approval or objection within five business days. In reviewing exempt PSCs, HEM considers several factors, including the agency’s justification for utilizing a PSC rather than a fulltime position, the nature of the work and extent of its policymaking duties, and the qualifications of any proposed contractor.

In FY2022, HEM received 19 exempt PSCs and made the following determinations:



POLITICAL CONTACTS

A political contact is a contact in any form from an elected or appointed politician or anyone acting on his or her behalf regarding hiring or employment actions related to any non-exempt State position. The CEP requires any State employee who receives a political contact to notify the CMS Chief Compliance Officer or HEM within 48 hours. The CMS Chief Compliance Officer reports all political contacts to HEM. State employees may report political contacts to [CMS Political Contact Reporting](#). Anyone, including non-State employees, may report a political contact to the OEIG by submitting a complaint through the OEIG Website: [File a Complaint](#).

In FY2022, HEM received 26 political contact reports. HEM includes a description of each political contact received in its Quarterly and Annual Reports.

REPORTING

HEM utilizes many tools to help inform its recommendations. HEM primarily reports on the results of its work through Advisories and in Quarterly and Annual Reports.

Advisories

At the conclusion of each compliance review, HEM issues an Advisory to the hiring agency. The Advisory includes a summary of the hiring sequence and any recommendations to the agency to improve compliance going forward. In FY2022, CMS began uploading all HEM Advisories to a SharePoint site available to all agency human resources personnel so that agencies other than the hiring agency can also access and learn from HEM's recommendations. In FY2022, HEM issued a total of 44 Advisories to 23 different agencies. This included three Progress Reviews, discussed below.

Progress Reviews

In October 2021, HEM issued three Progress Reviews to all agency directors and personnel officers, and filed them with the *Shakman* Court. These Advisories addressed agencies' progress toward CEP compliance in three specific areas: candidate scoring, applicant screening, and completing Relationship Disclosure and Conflict of Interest Certification Forms (Conflict Forms). HEM selected these three areas for in-depth reviews because these were the three most common categories of HEM Advisory recommendations.

To understand and assess agency progress in these areas, each Progress Review examined all HEM Advisories issued to date containing one or more recommendation in the respective area. These recommendations were further broken down by agency and hiring sequence timing, in order to identify instances where an agency received a “repeat” recommendation (i.e., the same recommendation HEM had made in a previous Advisory to that agency.)

Overall, the three Progress Reviews found limited instances where an agency failed to implement a recommendation made in a previous Advisory. Most notably, however, HEM found no instance of intentional violation. HEM also found significant improvement occurred in all three areas after the State conducted comprehensive CEP training, including focused trainings in each of the respective areas. HEM continues to track its Advisory recommendations to identify common areas of misunderstanding across agencies in which additional training or follow-up might be needed.

Quarterly and Annual Reports

Pursuant to the CEP, HEM began issuing Quarterly and Annual Reports in FY2019. These reports contain data and other information pertaining to HEM’s work during the reporting period.

HEM adjusted the format of its quarterly reports in its First Quarter Report for calendar year 2022. Each Quarterly Report identifies actions taken during the reporting period, including the number of hiring-related reviews opened, hiring sequences monitored, desk audits

completed, hiring reviews transferred from HEM to the OEIG Investigations Division, and Advisories issued. For Advisories in which HEM made one or more recommendation, the report includes a summary of the Advisory. HEM’s Quarterly Reports also identify positions approved for addition to or deletion from the Exempt List, and dispositions for all exempt PSCs received during the reporting period. As noted above, the Quarterly Reports also include a description of each political contact report received. In addition, the Quarterly Reports identify the number of hiring-related complaints the OEIG received during the reporting period and a breakdown of the number of hiring complaints referred intra-Office to HEM; referred back to the

subject agency or other appropriate entity or law enforcement authority; opened by the OEIG Investigations Division; and those still under review by the Complaints & Compliance Division. Finally, the quarterly reports identify the number and status of Investigations Division investigations of hiring-related complaints at the end of the reporting period.

The Annual Report includes this same data and information, but also contains more detailed explanations of HEM and the Investigations Division’s hiring-related work during the preceding calendar year. All of [HEM’s Quarterly and Annual Reports](#) are available on the OEIG website.



The revolving door provisions of the Ethics Act prohibit State employees from accepting non-State employment with, or receiving compensation from, a non-State entity, for “one year immediately after termination of State employment” if, within one year immediately prior to separation from State employment, the employee participated personally and substantially in the award or fiscal administration of State contracts, change orders, or grants with a cumulative value of \$25,000 or more to his or her prospective employer, or in a regulatory or licensing decision directly applicable to his or her prospective employer. 5 ILCS 430/5-45(a) and (b).

OEIG REVOLVING DOOR DETERMINATIONS FOR C-LIST EMPLOYEES

Certain State employees whose positions may have the authority to participate personally and substantially in such decisions must seek a determination from the OEIG that they may accept employment prior to accepting an offer. These employees are on what is known as the c-list (after subsection (c) of Section 5-45 of the Ethics Act). Ethics officers for agencies are generally responsible for maintaining and updating their agency’s c-list.

C-List employees should be notified in writing by their agency of their designation and obligations pursuant to the Ethics Act. The duty to seek a determination from the OEIG continues for one year after ending State employment.

Submitting an RD Application

To notify the OEIG about a prospective job offer, employees should go to the OEIG’s website and follow the revolving door instructions. Initially, the employee and his or her ethics officer must complete certain forms regarding the employee’s State duties and prospective employment (the “RD-101” and “RD-102”).

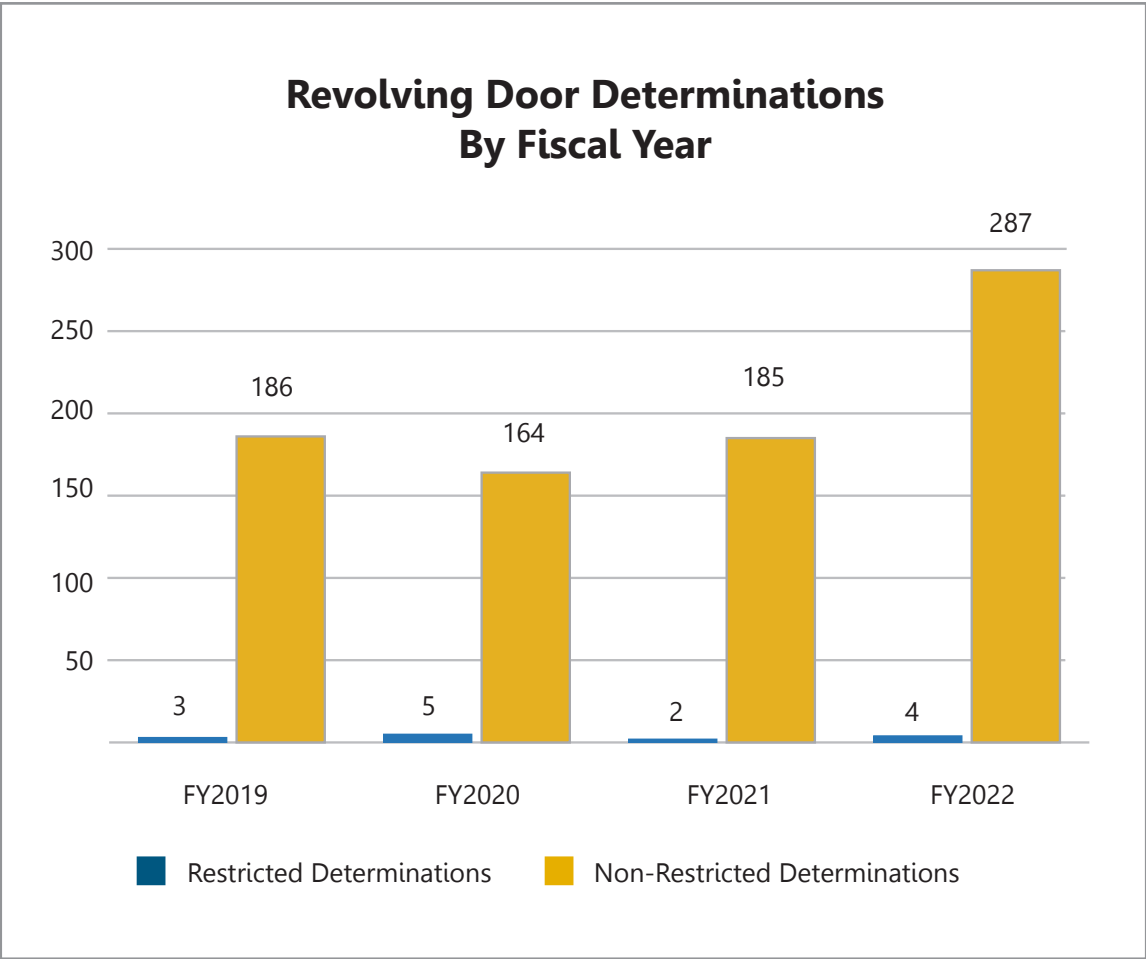
Within 10 calendar days of receiving the forms from both the employee and the ethics officer, the OEIG issues a determination indicating whether the employee “personally and substantially” participated in the award or fiscal administration of a State contract or a regulatory or licensing decision that directly applied to the prospective employer or its parent or subsidiary, and thus, whether the employee can accept the employment offer. In making a determination, OEIG staff will review information from these forms and conduct

interviews of the employee, the employee’s supervisor, and others, as necessary. The OEIG also examines various records relating to any contract awards or regulatory or licensing decisions involving the employee.

FY2022 RD Submissions

During FY2022, the OEIG made **291** revolving door determinations using the process described above. This represents a **55% increase** from the previous fiscal year’s number of 187 and is a record high for a fiscal year.

The OEIG restricted four employees from accepting non-State employment, which is approximately one percent of the determinations made.



Appeal of OEIG Determination

The OEIG's determination may be appealed to the EEC by either the affected employee or the Attorney General no later than 10 calendar days after the date of the determination. The EEC must then issue its decision within 10 calendar days. Therefore, the OEIG's determination is not final until the time to appeal has expired or the EEC has made its decision on an appeal.

In FY2022, two employees appealed the OEIG's restricted determination to the EEC. The EEC upheld one determination and reversed the other. Although OEIG's revolving door determinations are generally not public, when a determination is appealed to the EEC, the EEC's decision of the appeal is made public. The two appeals in FY2022 are summarized below.

In re: Seth Slaughter, 22-EEC-001

Seth Slaughter appealed the OEIG's determination that he was restricted from accepting employment with Caterpillar, Inc. (Caterpillar). Mr. Slaughter was employed by the Illinois Environmental Protection Agency (IEPA) as an Environmental Protection Engineer II. He was responsible for performing engineering analyses of Title V Clean Air Act permit applications. Mr. Slaughter ensured applications met all applicable requirements established by federal, State, and IEPA rules and regulations; contacted applicants to request additional information; prepared letters of response to permit applications; and made recommendations on whether to grant, deny, or reject an application.

On August 31, 2020, IEPA received a Title V Clean Air Act permit renewal application from Advanced Tri-Gen Power Systems (ATG), a subsidiary of Caterpillar. Mr. Slaughter began working on the permit application in March 2020 and oversaw the entire ATG permit process from the point of its assignment through the issuance of the permit. Mr. Slaughter spent numerous hours reviewing and drafting the permit, including meeting with his lead worker multiple times

where the lead worker reviewed every line of Mr. Slaughter's work. Once Mr. Slaughter's draft permit received managerial approval, it was submitted for further review by ATG, the public, and the United States Environmental Protection Agency (US EPA). No comments were received at the expiration of the public and US EPA comment deadlines. The IEPA then issued the ATG permit on June 25, 2021. This permit identified ATG as owner and Caterpillar as operator.

On appeal, Mr. Slaughter argued that he did not participate substantially in the issuance of the permit because his supervisors made all of the substantial decisions. The EEC upheld the OEIG's determination and stated that Mr. Slaughter's involvement in the drafting and processing of the ATG permit constituted personal and substantial participation in a regulatory decision that directly applied to Caterpillar. The EEC defined "substantial" as "direct, extensive, and substantive as opposed to peripheral or clerical or a mere formality." The EEC concluded that Mr. Slaughter's participation was "substantial" notwithstanding a high level of supervision.

In re: Matthew Strough, 22-EEC-003

Matthew Strough appealed the OEIG's determination that he was restricted from accepting employment with Kankakee Valley Construction Company (Kankakee Construction). Mr. Strough was a Senior Resident with the Illinois Department of Transportation (IDOT). His oversight authority with respect to road and bridge construction projects included initiating progress pay estimates for work actually completed in accordance with specifications and initiating "authorizations," which adjust the amount of funds in a contract in order to address unexpected needs for things such as additional materials, replacements, repairs, conditions, etc., in order to complete the contract.

Beginning in November 2021, Mr. Strough initiated 10 authorizations with respect to Kankakee Construction. The authorizations totaled \$238,154.32. The authorizations were justified for a variety of reasons, including such things as the need to remove rock or a utility pole; to adjust for deteriorating conditions; to provide for safety; to use more appropriate materials at the direction of other IDOT personnel; or to correct plan errors. Each authorization contained the following statement: "The undersigned determine that the change is germane to the original contract as signed, because provision for this work is included in the original contract."



The 10 authorizations were the basis for the OEIG's determination that Mr. Strough was restricted from accepting employment with Kankakee Construction. The EEC concluded, however, that the authorizations did not constitute "change orders" as used in the Ethics Act, and therefore reversed the OEIG's restricted determination. In so doing, and in the absence of the definition of "change order" in the Ethics Act, the EEC looked to definitions in the Illinois Procurement Code and rules, which define a change order as "a change in a contract term, other than as specifically provided for in the contract."

Pursuant to the Ethics Act, the OEIG, along with the EEC, oversee ethics training and harassment and discrimination prevention training for agencies of the Illinois Governor, the State universities, and the Regional Transit Boards (RTBs). Ethics Act trainings are conducted on an annual basis, and new employees, appointees, and officials must also complete initial training within 30 days of commencing of their employment or office.

MANDATORY TRAINING UNDER THE ETHICS ACT

Training programs for calendar year 2021 were administered using OneNet, an online training platform. The OEIG works with DoIT to administer the training via OneNet.



Ethics Training

The OEIG drafts and designs the online ethics training for agencies under the Governor as well as the training taken by the RTB Boards. It also reviews and approves trainings for other entities under its jurisdiction to ensure trainings meet prescribed training standards. Each year, the OEIG develops ethics training standards to ensure quality training programs that cover relevant ethics laws and rules.

In calendar year 2021, the OEIG reviewed and approved 21 ethics training programs. For all entities under the OEIG's jurisdiction, it was reported that individuals completed over 183,000 ethics training sessions during the calendar year 2021 reporting period. For agencies under the Illinois Governor, the OEIG directly provided more than 56,000 online ethics training sessions in calendar year 2021.

Harassment and Discrimination Prevention Training

The OEIG reviews and approves harassment and discrimination prevention training materials for entities under its jurisdiction. The Ethics Act sets forth certain minimum requirements for harassment and discrimination prevention training programs. For example, the training must include certain definitions; how to report allegations of misconduct, and protections against retaliation. The OEIG proactively worked to assist entities with preparing Ethics Act-compliant harassment and discrimination prevention trainings. For example, the OEIG provided guidance by drafting and circulating a reference guide containing information about how to address the statutorily mandated minimum requirements. The OEIG further corresponded with the Governor's Office, the universities, and the RTBs regarding the minimum requirements and deadlines for harassment and discrimination prevention training.

In calendar year 2021, the OEIG reviewed and approved 24 harassment and discrimination prevention training programs. For all entities under the OEIG's jurisdiction, it was reported that individuals completed over 184,000 harassment and discrimination prevention training sessions during the calendar year 2021 reporting period.

Ethics Officer Conference

The OEIG conducts training other than what is specifically required by the Ethics Act. The following are examples of such training in FY2022.



In April 2022, General Counsel Neil Olson, Assistant Inspector General Frank Sohn, and Assistant Inspector General Joseph Loscudo presented at the EEC's Ethics Officer Conference regarding prohibited political activity under the Ethics Act. The presentation highlighted current trends and special considerations in the Covid-19 pandemic. These trends include the increased use of social media and personal devices to conduct prohibited political activity on compensated State time as opposed to using State resources.

New Ethics Officer Orientations

The OEIG's duties include "assist[ing] and coordinat[ing] the ethics officers" in the agencies under its jurisdiction. 5 ILCS 430/20-20(6). The OEIG continued to host orientation sessions for newly appointed ethics officers of agencies under the OEIG's jurisdiction. In FY2022, the OEIG hosted orientation sessions for 14 new ethics officers. The goal of these orientation sessions is to provide new ethics officers with information about their roles and the expectations of the OEIG. The sessions cover topics including required training under the Ethics Act, the revolving door notification and determination process, and OEIG investigations.

These orientations are available to any ethics officer who wishes to attend. Those interested in attending can contact the OEIG to schedule an orientation.

Revolving Door Training

In June 2022, the OEIG and the Governor's Office hosted trainings on the revolving door provisions of the Ethics Act for ethics officers and general counsels to provide reminders and discuss amendments to the Ethics Act and newly available precedents. In particular, the Ethics Act was amended effective January 1, 2022, to include "fiscal administration" of State contracts as an activity covered by the revolving door provisions. In addition, as described elsewhere in this report, the EEC has defined the statutory term "substantial" as well as the statutory term "regulatory."



OEIG's Diversity, Equity, and Inclusion Initiatives

In July 2020, the OEIG formed an internal Diversity, Equity, & Inclusion (DEI) Working Group. This Working Group is comprised of OEIG employee volunteers from each division who work together to brainstorm, research, and implement steps to make the OEIG a more inclusive and equitable working environment that celebrates differences. During FY2022, the Working Group had about 30 members. The DEI Working Group has three separate focus groups to concentrate on specific areas: 1) recruitment & hiring; 2) training; and 3) mentorship & development. Each focus group meets approximately once a month. The Working Group also developed OEIG Connect, an internal voluntary group that meets to discuss issues related to marginalized groups and identities, such as race, gender, and ability.

Although the OEIG has a DEI Coordinator, the structure of the group is open to allow all members to share in the leadership and development of the Working Group. The DEI Working Group's collaborative environment ensures that methods for implementing goals are thoughtful, grounded in research, and discussed and agreed upon by the group.

In FY2022, the Working Group members began by coming together to discuss goals and priorities. Through brainstorming and discussions, staff crafted a strategic plan to align resources more effectively with goals. The implementation of the plan has been a rewarding and efficient strategy. Below is a summary of the work completed in FY2022. More information about the DEI Working Group is located on the OEIG website, including the previous Year-End Report. For a direct link to the Diversity, Equity, and Inclusion page, click here: [Commitment to Diversity, Equity, and Inclusion - Employment \(illinois.gov\)](#).

RECRUITMENT & HIRING

During FY2022, the Recruitment & Hiring Focus Group geared its efforts toward onboarding and integrating new employees; updating position descriptions to ensure up-to-date and inclusive language was used; and researching best practices for hiring. First, this group worked to standardize the onboarding pieces related to employee integration. It developed an onboarding checklist that set forth a schedule of meetings with each OEIG department, topics for managers to discuss with the new employee, and directions regarding the buddy program for new employees. The buddy program pairs new employees with a "buddy" to provide another opportunity for the employee to form a connection in the office and facilitate greater inclusion in informal happenings. Second, staff updated the position descriptions to change the way minimum requirements were explained and categorized; eliminate requirements that were not necessary for the position; and ensure the language in the description was

gender neutral. They also added additional information about the availability of reasonable accommodations on job postings. Finally, the Recruitment & Hiring Focus Group continued to research best practices in hiring, and staff and is currently working on guidance regarding reviewing applications and interviewing candidates.



TRAINING

The Training Focus Group created educational materials and planned an office discussion about implicit bias, as well as a training for managers about inclusive leadership. In June 2022, seven OEIG employees researched and led a peer discussion about implicit bias. Prior to attending, the participants were given exercises to complete related to implicit bias, including an online training to take and an article to read. During the conversation, participants were challenged to openly share their thoughts, ideas, and experiences, and facilitators presented concrete steps for interrupting implicit bias. This discussion was voluntary and over one-third of the office attended. This discussion was presented in an OEIG Connect format (discussed more below). After the implicit bias discussion, the Training Focus Group conducted an anonymous survey to get feedback. The results of the survey were positive and several employees reported that they continued the discussion and learning after the event with family, friends, and colleagues.

The Training Focus Group also worked with the EIG to develop and lead a reflection exercise among managers to promote and share leadership strategies and goals. The training included small group discussions and allowed managers to think thoughtfully and deliberately about how they motivate, engage, and develop staff.

MENTORSHIP & DEVELOPMENT

After completing a pilot mentorship program in FY2021, the Mentorship & Development Focus Group was eager to apply the feedback and knowledge it acquired to establish the OEIG Mentorship Program. In March 2022, the OEIG Mentorship Program kicked-off. This internal, voluntary program works to provide support, guidance, development, leadership, and community for both mentees and mentors through one-on-one mentorship and group

mentorship activities. The mentorship program is mentee driven and designed to allow mentees to establish their own uniquely tailored developmental goals that can be achieved through one-on-one mentorship. The mentee and mentor are paired for between six and nine months depending on the goals and plan they develop. The Mentorship & Development Focus Group administers this program by hosting information and orientation sessions for employees, providing guidance and check-ins, and carrying out the administrative functions of developing and collecting forms and certificates. OEIG employees have had very positive feedback about the program.

In October 2021, the Mentorship & Development Focus Group hosted an office-wide panel discussion regarding time management and organization. During this event, OEIG staff from various positions served as panelists and moderators, and attendees asked questions about how they manage priorities and deadlines, and approach organization. This panel gave all employees an opportunity to learn new strategies for efficiency.



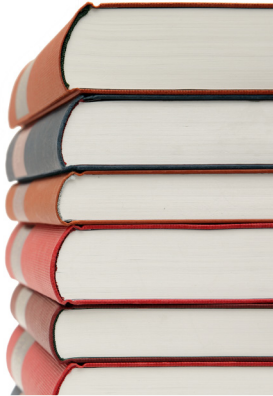
The DEI Working Group also continued to facilitate OEIG Connect – internal voluntary meetings designed to discuss issues regarding marginalized groups and identities, such as race, gender, and ability. Before these discussions, the Working Group members leading the Connect meeting circulate questions and topics, articles, and/or podcasts for review. OEIG Connect was developed to create an open forum for employees to share their identities, hear from others, and be seen as their whole selves. OEIG Connect is part of the DEI Working Group’s mission to build a community that talks openly and listens to other voices discussing topics related to diversity, equity, and inclusion. All OEIG employees are invited to participate by listening or sharing, and coming together with the goal of connecting on a personal level with colleagues. As discussed above, in June 2022, seven OEIG employees researched and led a peer discussion about implicit bias.

Highlights of DEI Working Group Accomplishments

- * Expanded where the OEIG posts openings by over 50%
- * Updated OEIG position descriptions to ensure they are written with a focus on inclusivity.
- * Standardized the onboarding of OEIG employees to ensure a baseline of inclusive connection in a hybrid work environment.
- * Established an onboarding coordinator to assist in coordinating and facilitating the onboarding process.
- * Updated the OEIG webpage to outline our commitment to DEI, prominently published our EEO/AA report, and added testimonials.
- * Conducted in-office surveys to assess recruitment, development, and engagement.
- * Updated the employment application to include the question: “Where did you hear about this opportunity?” to assist the Focus Group in determining the best use of OEIG recruitment resources.
- * Brought in the Illinois Department of Human Rights (IDHR) to provide a half-day in-depth training to all OEIG employees. The training, entitled, Introduction to Diversity, Equity, and Inclusion, covered privilege, bias, microaggressions, and more.
- * Provided leadership training to managers. This training included breakout rooms and thoughtful discussions about how we lead.
- * Created a strategic plan for the DEI Working Group to effectively align our resources with our goals.
- * Established a weekly all-staff email with information regarding holidays, cultural events, and important dates of recognition.
- * Developed OEIG Connect – an internal voluntary group that meets to discuss issues related to marginalized groups and identities, such as race, gender, and ability. We have had separate discussions that focused on race, allyship, and implicit bias.
- * Ensures that all new employees meet with the DEI Coordinator to get information about the Working Group and are invited to voluntarily participate.
- * Updated OEIG position postings to include information regarding reasonable accommodations for completing the application, interviewing, and pre-employment testing.
- * In March 2022, established an internal mentorship program that is open to all OEIG employees.



OEIG Legislative Engagement



The OEIG is committed to better State government, and therefore, regularly works with legislators and stakeholders on matters related to ethics legislation. Throughout the year, the OEIG works with other executive inspectors general, the EEC, the Attorney General's Office, the Governor's Office, legislators, and other stakeholders to discuss potential amendments to the Ethics Act as well as to the Illinois Administrative Code. Further, the OEIG works to ensure that amendments to the Ethics Act reflect the intent of the Act. In recent years, the OEIG has expanded its involvement in legislative matters by weighing in on key amendments to the Ethics Act, including OEIG processes,

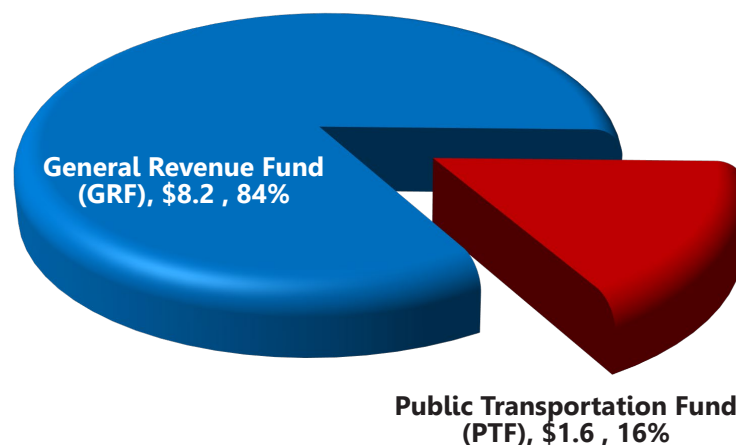
the mandated harassment and discrimination prevention training, penalties for violating the Ethics Act, the prohibition on sexual harassment, and the expansion of OEIG monthly reports, among other things.

In FY2022, the OEIG continued to work with Representative Fred Crespo to introduce a bill with proposed amendments to the Ethics Act. Representative Crespo introduced House Bill 2654 on February 18, 2021. This bill amends the Ethics Act to allow executive inspectors general to disclose investigatory files and reports, as necessary, to the head of the State agency affected by or involved in the investigation. This bill is important because it allows a mechanism for executive inspectors general to disclose information directly to agency heads, for example when there is a potential risk to public safety. Due to the confidentiality provisions of the Ethics Act, an executive inspector general currently cannot directly disclose information to an agency head while an investigation is pending. Amending the Ethics Act to clarify that executive inspectors general can disclose investigatory files and reports to agency heads furthers the public interest. During FY2022, this bill continued to remain in committee, and did not pass.

In addition, as discussed in the Finance section of this report, the OEIG also proposes its own budget and drafts documents and information to explain the Office's financial needs. During FY2022, the OEIG met with legislators, legislative staff, the Governor's Office of Management and Budget (GOMB), among others, to explain its appropriation needs. In working with stakeholders and thoughtfully mapping out our budget needs and data, the OEIG was successful in obtaining the budget it requested of \$8,232,700 in General Revenue Funds and \$1,610,800 in Public Transportation Funds.

In April 2022, Public Act 102-0698, was signed into law. This law appropriated \$8,232,700 from the General Revenue Fund (GRF) and \$1,610,800 from the Public Transportation Fund (PTF) for the OEIG's FY2023 ordinary and contingent expenses.

FY2023 OEIG Appropriation by Funds (Dollars in Millions)

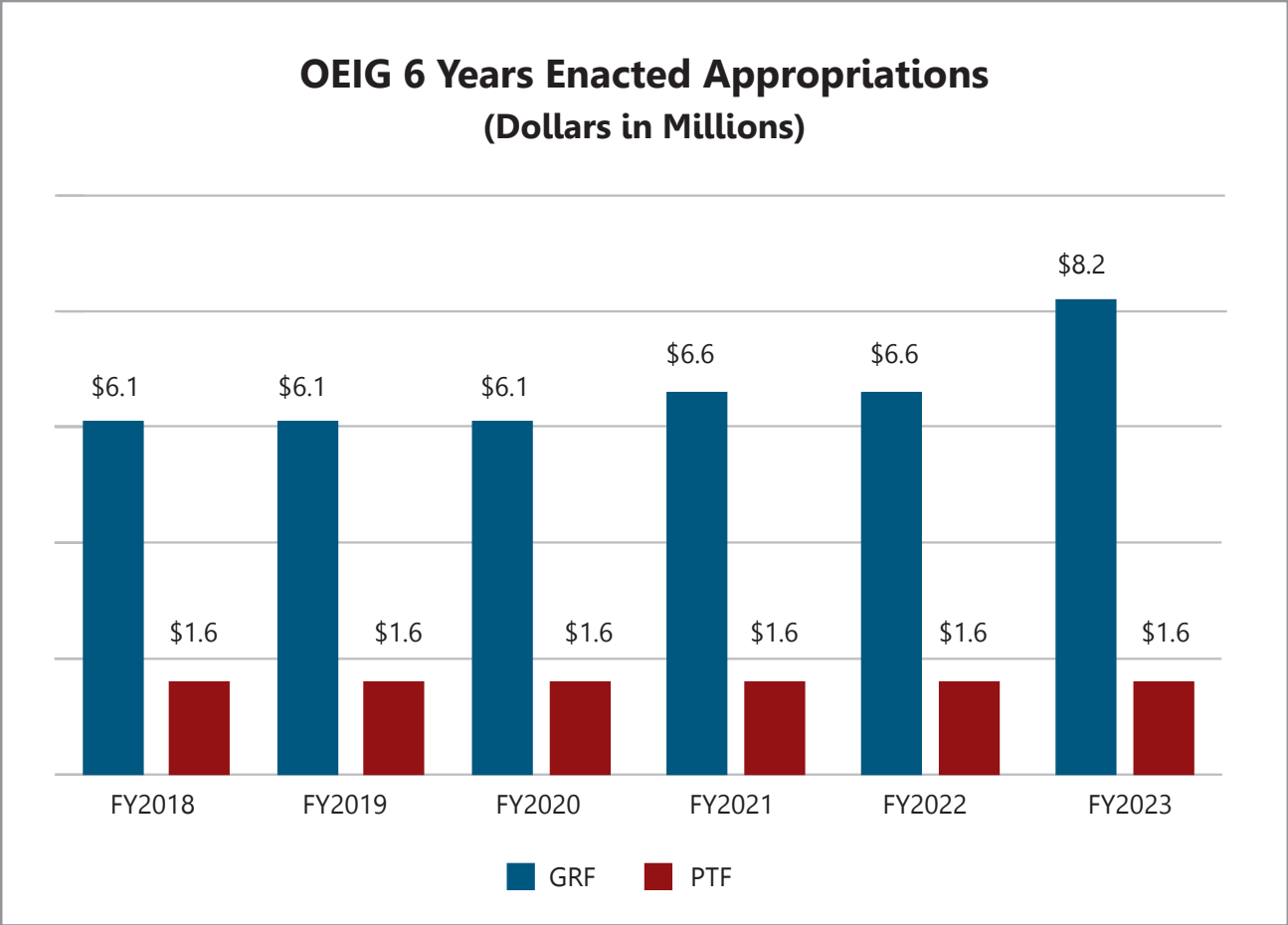


The GRF appropriation increase from \$6.6M in FY2022 to \$8.2M in FY2023 will have an important impact on the OEIG's ability to work towards its mission of ensuring accountability in State government. To achieve this 24% budget increase, OEIG staff met with the House and Senate members and staff, and the Governor's Office of Management and Budget (GOMB) and provided detailed justification of budget needs by focusing on the value that the OEIG brings to the State.

This increase in GRF appropriation will allow the OEIG to hire additional staff with the goal of reaching a headcount of 75 GRF employees and provide salary adjustments to remain competitive with similar agencies, and retain our highly skilled team members. By filling and retaining critical staff, the OEIG will meet the demands of the public's complaints and the rise in revolving door determination requests as well as enhance outreach efforts to promote awareness of OEIG statutory mandates. The increase will also allow the OEIG to improve staff training and development, upgrade IT infrastructure, and procure investigative software solutions.

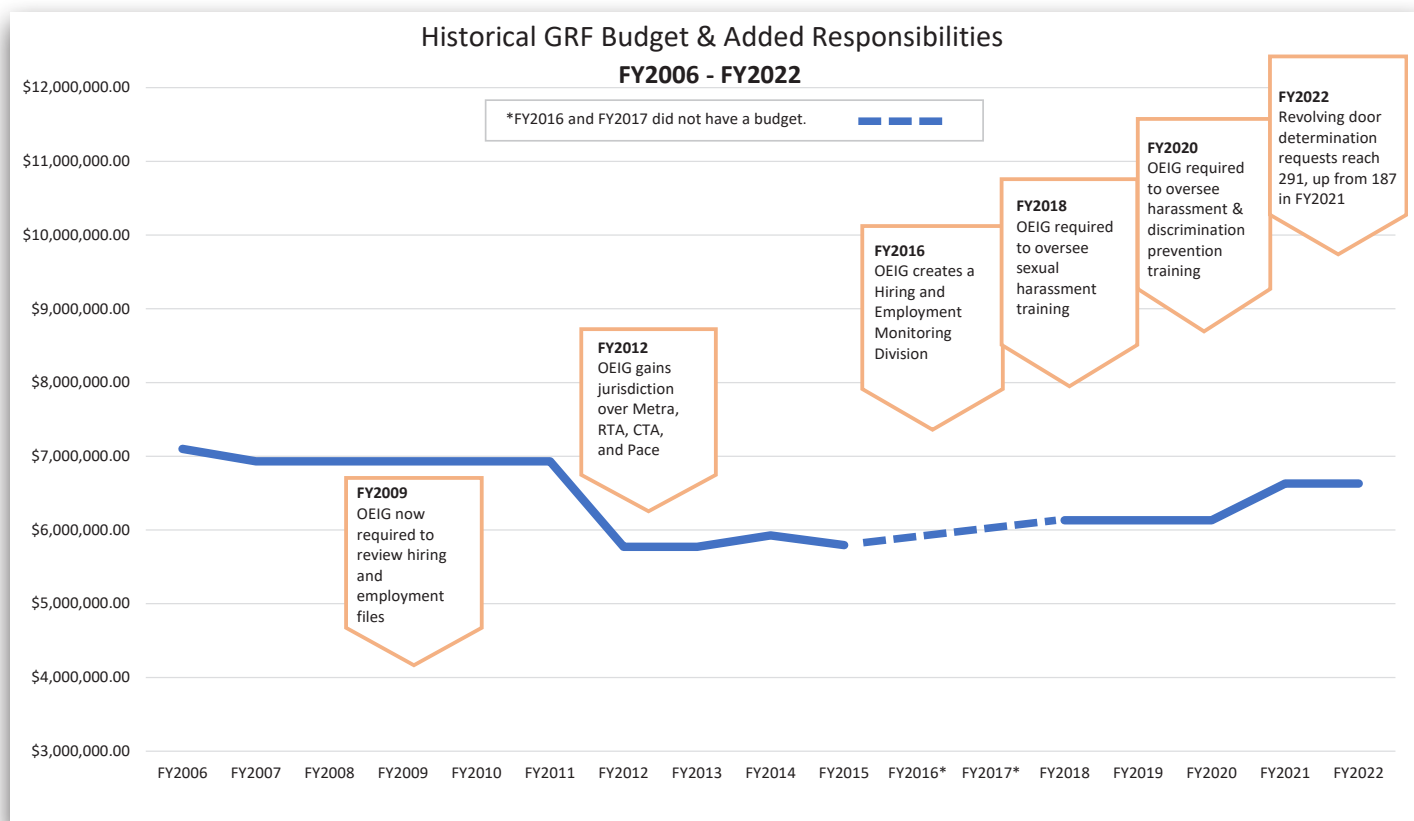
The PTF appropriation supports the OEIG’s jurisdiction on matters involving the Regional Transportation Authority, Chicago Transit Authority, Metra, and Pace. The \$1.6 million appropriation from the PTF has remained flat since FY2014.

The graph below shows the last six years’ GRF and PTF appropriations.



**HISTORICAL GRF APPROPRIATIONS
AND INCREASED RESPONSIBILITIES**

Per the below graph, the OEIG’s GRF appropriation was approximately \$7 million from FY2006 through FY2011. This historical flat budget did not consider the increase in OEIG statutory responsibilities or the need for additional staff to perform the growing workload of the office. The OEIG’s work greatly expanded over the past 14 years while it operated within a budget that had minimal increases and remained lower than its 2006 budget. For example, the OEIG has had increased compliance duties over the years, such as revolving door determinations, establishing the Hiring & Employment Monitoring Division, and the oversight of harassment and discrimination prevention training.



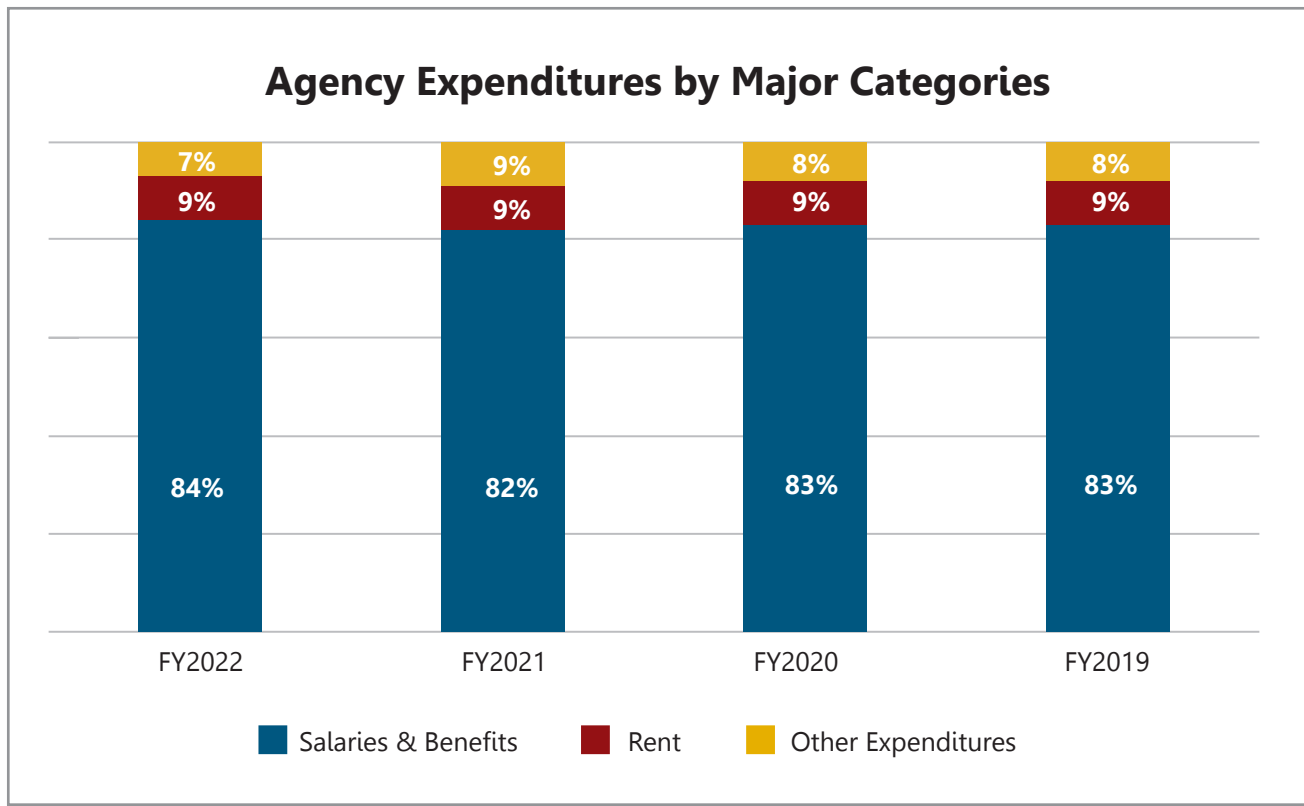
Despite a reduced GRF appropriation in FY2012, the OEIG maintained its high quality of work and successfully increased its responsibilities, in large part due to increased internal efficiencies. While maximizing efficiency sustained the OEIG for the past decade, OEIG salaries have not kept pace with the market or cost of living increases. This has affected staff retention and recruitment efforts, and directly impacted the OEIG's ability to sustain the quality and volume of work.

With the FY2023 increase in GRF appropriation to \$8.2M, the OEIG plans to continue to carry out its mandates and meet the challenges of its increased responsibilities and volume of work. The OEIG will continue to monitor legislation and trends to identify new and emerging oversight requirements to allocate resources accordingly.

OPERATING EXPENDITURE

Personnel-related expenditures accounted for about 84% of the FY2022 operating expenditure. The OEIG prioritizes spending on its staff, which is its chief resource. Non-salary related operating expenditures include rental expenditures, which account for about 9% of total spend. Other operating expenditures account for the remaining 7% and includes vendor payments, CMS chargebacks, DoIT chargebacks, computer software, office equipment, and other ancillary charges.

The graph below shows the percentage of total expenditure by major categories for fiscal years 2019 – 2022.



The table below shows the amount and percentages of each major expenditure category by fund type for fiscal years 2019 – 2022.

GRF and PTF Operating Expenditure for FY2019 -2022 (Dollars in Millions)								
GRF	FY2022	%	FY2021	%	FY2020	%	FY2019	%
Salaries & Benefits	\$5.23	84%	\$5.07	82%	\$4.79	83%	\$4.61	82%
Leased space Rent	\$0.57	9%	\$0.56	9%	\$0.54	9%	\$0.52	9%
Other Expenditure	\$0.41	7%	\$0.52	9%	\$0.45	8%	\$0.48	8%
Total Expenditure	\$6.21		\$6.15		\$5.78		\$5.61	
PTF	FY2022	%	FY2021	%	FY2020	%	FY2019	%
Salaries & Benefits	\$0.95	85%	\$0.75	80%	\$0.86	84%	\$0.94	85%
Leased space Rent	\$0.09	8%	\$0.09	10%	\$0.09	9%	\$0.08	8%
Other Expenditure	\$0.07	6%	\$0.09	10%	\$0.08	8%	\$0.08	7%
Total Expenditure	\$1.12		\$0.93		\$1.03		\$1.10	



Appendices

54 Leadership

56 Number of Complaints Received by Agency

59 Allegations Received by Type of Misconduct

60 Founded Reports by Agency

61 Online References

LEADERSHIP

Susan M. Haling, Executive Inspector General

Ms. Haling was nominated as Executive Inspector General in March 2018, and confirmed by the Illinois Senate in May 2019. She first joined the OEIG in December 2011 as Special Counsel, and served as the First Assistant Inspector General beginning in 2015. In addition, she has more than nine years of experience as an Assistant U.S. Attorney in Chicago, where she tried over 20 criminal trials. Ms. Haling also previously worked for the U.S. Justice Department, Criminal Division, in Washington, D.C. Ms. Haling was a law clerk for the Honorable James F. Holderman, a former U.S. District Judge for the Northern District of Illinois. Ms. Haling received her BA from the University of Notre Dame and obtained her law degree from the DePaul University College of Law, where she graduated Order of the Coif, served as editor for the Law Review, and was a member of the Moot Court Trial Team.

Neil P. Olson, General Counsel

Mr. Olson returned to the OEIG in May 2018 and serves as General Counsel. Mr. Olson previously worked at the OEIG as Deputy Inspector General and Chief of Springfield Division before leaving the OEIG in 2013 to serve as General Counsel in the Office of the Illinois State Treasurer. Prior to his return to the OEIG, Mr. Olson also served as an Assistant Attorney General and then the Deputy Public Access Counselor in the Office of the Illinois Attorney General. He also previously worked for the Massachusetts Attorney General's Office, the Massachusetts Commission on Judicial Conduct, as a litigator in private practice, and as the law clerk to the Honorable Kenneth Laurence of the Massachusetts Appeals Court. Mr. Olson is a graduate of Grinnell College and Northeastern University School of Law, and is licensed to practice law in Massachusetts and Illinois.

Fallon Opperman, Deputy Inspector General and Chief of Chicago Investigative Division

Ms. Opperman joined the OEIG as an Assistant Inspector General in June 2008 and then served as Chief of the Regional Transit Board Division. As Deputy Inspector General and Chief of Chicago Division since February 2015, Ms. Opperman manages the investigative activities of the OEIG's Chicago office, including oversight of the Regional Transit Board Division. Ms. Opperman received a BA from North Central College and obtained her law degree from the DePaul University College of Law.

Erin K. Bonales, Director of Hiring & Employment Monitoring

Ms. Bonales is responsible for directing the OEIG's Hiring & Employment Monitoring Division, which engages in compliance reviews and monitoring activities related to hiring and employment decisions, policies, and practices. Ms. Bonales previously worked for the OEIG for nearly eight years, including serving as Deputy Inspector General and Chief of the Chicago Investigative Division. Prior to joining the OEIG in May 2006, Ms. Bonales was an Assistant General Counsel for the Illinois Department of Human Services for approximately five years. Ms. Bonales received a JD from the University of Illinois College of Law, and a BA in Political Science from Southern Illinois University.

Christine P. Benavente, Deputy Inspector General - Executive Projects

Ms. Benavente joined the OEIG as an Assistant Inspector General in August 2011 and later served as a Legislative Assistant Inspector General. As Deputy Inspector General–Executive Projects, Ms. Benavente leads numerous executive projects, including overseeing the Division of External Compliance & Outreach, serving as the legislative attorney for all legislative matters pertaining to the OEIG, and serving as the Diversity, Equity, and Inclusion Coordinator. Prior to working at the OEIG, she was an Associate at Jenner & Block, LLP. Ms. Benavente obtained her law degree from DePaul University College of Law, where she graduated Order of the Coif and magna cum laude. During law school, she served as Editor-in-Chief of the Women's Law Caucus Digest and Moot Court Representative for the Hispanic National Bar Association. She obtained BAs from the University of Iowa.

Angela Luning, Deputy Inspector General and Acting Chief of Springfield Investigative Division

Ms. Luning joined the OEIG as an Assistant Inspector General in 2012, became a Deputy Inspector General for Investigations in 2015, and currently also serves as Acting Chief of the Springfield Division. Ms. Luning previously served as an Assistant State's Attorney in the Will County State's Attorney's Office, an Assistant Attorney General, and an Assistant Corporation Counsel for the City of Chicago; she also was a law clerk to the Hon. George W. Lindberg in the U.S. District Court for the Northern District of Illinois. Ms. Luning has a BA from Yale University, and received her law degree from Loyola University Chicago, where she served as the Executive Editor for Lead Articles on the Loyola University Chicago Law Journal.

Ogo Akpan, Chief Fiscal Officer and Operations Manager

Ms. Akpan joined the OEIG as Chief Fiscal Officer/Chicago Operations Manager in December 2021. She provides leadership and management of all financial operations of the agency and is also responsible for administrative operations of the Chicago office. Prior to the OEIG, she worked as a Certified Public Accountant for the Illinois Office of the Comptroller. She previously held finance leadership roles in the private sector responsible for accounting, finance, and data analytics functions. Ms. Akpan received her Bachelor of Science in Accounting from the University of Nigeria, obtained her MBA from Schulich School of Business, York University Toronto Canada, and is a Certified Public Accountant in the State of Illinois.

NUMBER OF COMPLAINTS RECEIVED BY AGENCY

Number of Complaints Received by Agency	FY2022
Abraham Lincoln Presidential Library and Museum	3
Aging, Department on	14
Agriculture, Department of	8
Attorney General, Office of	10
Attorney Registration and Disciplinary Commission	1
Capital Development Board	3
Central Management Services, Department of	21
Chicago Public Schools Inspector General	2
Chicago State University	13
Chicago Transit Authority	94
Children & Family Services, Department of	120
Children & Family Services Inspector General, Department of	2
City Colleges of Chicago	1
City of Chicago Inspector General	13
Commerce Commission, Department of	5
Commerce and Economic Opportunity, Department of	9
Community College Board	1
Comptroller, Office of	2
Cook County Inspector General	9
Corrections, Department of	354
Court Officials	1
Criminal Justice Information Authority	3
Eastern Illinois University	1
Emergency Management Agency, Department of	10
Employment Security, Department of	259
Energy and Natural Resources	1
Environmental Protection Agency	24
Federal Bureau of Investigation	2
Financial and Professional Regulation, Department of	22
Gaming Board	3
Governor's Office	33
Governors State University	6
Guardianship & Advocacy Commission	2
Healthcare and Family Services, Department of	55
Healthcare and Family Services Inspector General	4

Number of Complaints Received by Agency	FY2022
Housing Development Authority	41
Human Rights, Department of	25
Human Services, Department of	409
Human Services Inspector General	1
Illinois State Museum	4
Illinois State University	4
Illinois State Assistance Commission	1
Innovation and Technology, Department of	6
Insurance, Department of	14
Judicial Inquiry Board	2
Juvenile Justice, Department of	25
Labor, Department of	9
Law Enforcement Training and Standards Board	4
Liquor Control Commission	1
Local Police Department/Sheriff's Office	45
Lottery	5
Math and Science Academy	2
McHenry County College	1
Medical Center Commission	1
Metra	48
Military Affairs	4
Natural Resources, Department of	22
None Given	19
Non-State Agency	401
Northeastern Illinois University	4
Northern Illinois University	2
Office of Executive Inspector General	10
Office of the State Fire Marshal	15
Other	204
Pace	15
Prisoner Review Board	1
Public Defender's Office	1
Public Health, Department of	43
Racing Board	2
Regional Transportation Authority	6
Revenue, Department of	54
Secretary of State, Office of	85
Southern Illinois University - Carbondale	12
Southern Illinois University - Edwardsville	6

Number of Complaints Received by Agency	FY2022
Southern Illinois University - School of Medicine	4
Southern Illinois University	7
Social Security Administration	1
Social Security Administration Inspector General, Office of	5
State Board of Education	16
State Board of Elections	3
State Employees Retirement System	4
State Fire Marshal	1
State Police	20
State Police Merit Board	1
State's Attorney	6
State's Attorney Appellate Prosecutor	1
Teachers Retirement System	1
Toll Highway Authority	29
Toll Highway Authority Inspector General	1
Transportation, Department of	206
United States Postal Service Inspector General	5
University of Illinois	25
Unknown	27
Vendor	25
Veterans' Affairs, Department of	12
Western Illinois University	8
Workers Compensation Commission	2
Total	3,075

ALLEGATIONS RECEIVED BY TYPE OF MISCONDUCT

Allegations Received by Type of Misconduct	FY2022
Abuse	77
Breach of Confidentiality	13
Bribery	15
Child Support	2
Conflict of Interest	18
Customer Service	103
Discrimination	241
Document Falsification	12
Failure to cooperate	6
Failure to follow department policy	20
False Employment Application	1
Fraud	368
Grant Fraud	6
Harassment	253
Hiring/Promotional improprieties	166
Misappropriation/Misuse of Funds	28
Misconduct	1,226
Mismanagement	542
Misuse of property	23
None	12
Other	89
Other Ethics Act violation	4
Prisoner Complaint	67
Procurement Improprieties	9
Prohibited Political Activity	5
Retaliation	172
Revolving Door Violation	8
Sexual Harassment	189
Theft	27
Time abuse	84
Unethical Behavior/Practices	87
Violence in the workplace	9
Wrongful termination	16
Total Allegations	3,898

FOUNDED REPORTS BY AGENCY

Founded Reports by Agency	FY2022
Chicago Transit Authority	2
Central Management Services	1
Department of Agriculture	1
Department of Corrections	4
Department of Human Services	1
Department of Human Services Office of Inspector General	1
Department of Natural Resources	1
Department of Public Health	2
Department of Transportation	1
Department on Aging	1
Environmental Protection Agency	1
Law Enforcement Training and Standards Board	1
Metra	1
Teachers Retirement System	1
Toll Highway Authority	1
Total	20

ONLINE REFERENCES

State Officials and Employees Ethics Act (5 ILCS 430)

<http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ChapterID=2&ActID=2529>

OEIG Monthly Investigations Reports

<https://oeig.illinois.gov/publications/monthly-reports.html>

OEIG Revolving Door Decisions

<https://oeig.illinois.gov/revolving-door/revolving-door-decisions.html>

Founded OEIG Investigative Reports

<https://oeig.illinois.gov/investigations/published-oeig-cases.html>

OEIG Investigations Policy and Procedures Manual

<https://oeig.illinois.gov/content/dam/soi/en/web/oeig/documents/oeig-investigation-policy-procedures-manual-11-09-2012.pdf>

OEIG File a Complaint

<https://oeig.illinois.gov/complaints/file-a-complaint.html>

OEIG Hiring and Employment Monitoring Quarterly/Annual Reports

<https://oeig.illinois.gov/hem/hem-reports.html>

CMS Exempt List

https://www2.illinois.gov/cms/Documents/ExemptList_w_Incumbents.pdf

CMS Political Contact Reporting

<https://ilgov.sharepoint.com/sites/CMSPoliticalContactReporting>

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

<https://oeig.illinois.gov/publications/annual-reports.html>

REPORT MISCONDUCT



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