



ANNUAL REPORT 2018

Acting Executive Inspector General's Message



It is my privilege to serve the people of Illinois as the Acting Executive Inspector General for the Agencies of the Illinois Governor. The OEIG staff work every day to root out fraud, waste, and abuse in Illinois State government through independent, objective, and fair investigations. We conduct our investigations without bias and in a timely manner, and our work is transparent to the fullest extent permitted by law. In FY2018, we received 2,724 complaints regarding government agencies and contractors. We opened 90 investigations, completed 96 pending investigations, and issued 24 reports that concluded there was a reasonable basis to believe that wrongdoing occurred.

The OEIG's efforts to facilitate an ethical and accountable State government include our continued focus on fairly and efficiently identifying wrongdoing through quality investigations; increasing compliance functions to work proactively with State agencies, through training and recommending improved State systems; and furthering outreach efforts to increase awareness and understanding of the OEIG's role. This annual report contains a summary of our investigations and growing compliance role, including the following:

Oversight of Sexual Harassment Training

In November 2017, the State Officials and Employees Ethics Act was amended to make sexual harassment a violation of that Act and to require that employees complete sexual harassment training programs. Pursuant to the amendment, the OEIG and Executive Ethics Commission oversee this training for entities under our jurisdiction. As part of that role, the OEIG reviewed numerous trainings for compliance, and provided guidance to agencies through sample training materials, recommendations regarding best practices, and information about statutory deadlines.

Hiring and Employment Compliance Review and Investigations

The Hiring & Employment Monitoring (HEM) Division works closely with the *Shakman* federal monitor, whose review has expanded to include a Statewide review of "exempt" positions under the Governor's jurisdiction. In addition, HEM, the *Shakman* monitor, and the Governor's Office have been developing a comprehensive employment plan revising State hiring procedures. For example, the plan includes guidance regarding the Governor's Office's role in hiring employees into exempt positions. Many of the procedures in the plan are based on recommendations made by the OEIG in its investigative report released publicly in FY2018 (*In re: Office of the Governor, Central Management Services, et al., Case # 15-02180*) finding that seven individuals hired by the Illinois Department of Central Management Services were not performing the duties in their position descriptions that would qualify them as exempt from hiring procedures under the Personnel Code.

Illinois Health Care Fraud Elimination Task Force

The Illinois Health Care Fraud Elimination Task Force works diligently to ensure that taxpayer funds for State administered health care programs are spent properly. In the over two years since the Task Force was formed, it has increased communication among State agencies, and engaged in efforts to prevent and combat fraud and waste, including initiatives to recoup improperly spent funds. The Task Force has saved, prevented, or recovered over \$500 million in fraudulent or wasteful Medicaid spending through FY2018.

Under my direction, the OEIG will continue to work every day to foster ethical conduct and integrity.

Sincerely,

Susan M. Haling

Lusan M. Haling

Acting Executive Inspector General

Table of Contents

Office Overview

OS Finances

11 Investigations

37 Hiring & Employment Monitoring

39 Training & Compliance

42 Outreach & Development

45 Beyond Investigations

54 Appendices



Office Overview



The State Officials and Employees Ethics Act (Ethics Act), 5 ILCS 430/1 *et seq.*, established the 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, the "revolving door" prohibition, the gift ban, and retaliation. In November 2017, the General Assembly added sexual harassment as a violation of the Ethics Act.

The OEIG's jurisdiction includes more than 170,000 State employees, appointees, and officials, including: the Governor; 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.

Until March 13, 2018, Margaret A. Hickey served as Executive Inspector General. On March 14, 2018, the Governor appointed Susan M. Haling to the position, and she currently serves as Acting Executive Inspector General.

Authority

"Five independent Offices of the Executive Inspector General are created. . . . Each Office shall be under the direction and supervision of an Executive Inspector General and shall be a fully independent office with separate appropriations." 5 ILCS 430/20-10(a).

Jurisdiction

"The Executive Inspector General appointed by the Governor shall have jurisdiction over (i) the Governor, (ii) the Lieutenant Governor, (iii) all officers and employees of, and vendors and others doing business with, executive branch State agencies under the jurisdiction of the Executive Ethics Commission and not within the jurisdiction of the Attorney General, the Secretary of State, the Comptroller, or the Treasurer, and (iv) all board members and employees of the Regional Transit Boards and all vendors and others doing business with the Regional Transit Boards." 5 ILCS 430/20-10(c).

Leadership

"Each Executive Inspector General shall have the following qualifications: (1) has not been convicted of any felony under the laws of this State, another State, or the United States; (2) has earned a baccalaureate degree from an institution of higher education; and (3) has 5 or more years of cumulative service (A) with a federal, State, or local law enforcement agency, at least 2 years of which have been in a progressive investigatory capacity; (B) as a federal, State, or local prosecutor; (C) as a senior manager or executive of a federal, State, or local agency; (D) as a member, an officer, or a State or federal judge; or (E) representing any combination of (A) through (D)." 5 ILCS 430/20-10(b).

Investigative Division



The OEIG receives complaints from members of the public, State employees, contractors, bidders, and anonymous sources. 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 also initiates its own investigations based on publicly reported information or information developed during other investigations.

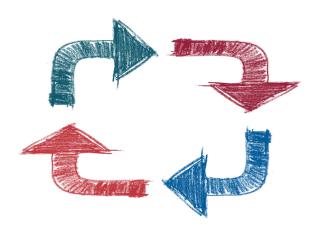
The OEIG evaluates all new complaints to determine the appropriate action. In FY2018, the OEIG received 2,724 complaints, initiated 90 investigations, and completed 96 investigations, including 24 with findings of wrongdoing. In FY2018, 14 reports were made public. At the close of the fiscal year, 100 investigations remained open.

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. This governing authority is available on the OEIG's website, www.inspectorgeneral.illinois.gov.

Anyoneseeking to report possible violations: may call the OEIG at 886-814-1113; visit www.inspectorgeneral.illinois.gov; send a fax to 312-814-5479; TTY at 888-261-2734; or write to the OEIG Springfield or Chicago offices. The OEIG has complaint forms available in both English and Spanish.

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 personally and substantially participate in contracting, licensing, or regulatory decisions, may accept non-State employment or compensation within one year of leaving State employment.

Generally, the revolving door restrictions under the Ethics Act are intended to prevent former public servants who participated in contracting, licensing, or regulatory decisions from accepting employment from an entity that was directly implicated in those decisions.

In FY2018, the OEIG investigated and made 181 revolving door determinations. It determined that four of the employees were restricted from accepting non-State employment.

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, in FY2016, the OEIG created the Division of Hiring & Employment Monitoring (HEM), which conducts compliance-based reviews of State hiring and employment procedures and decisions to ensure that they are lawful, merit-based and/or justifiable. HEM conducts file reviews and on-site monitoring of agency hiring decisions, and also works closely with the monitor appointed in the federal Shakman litigation, who is reviewing hiring practices at the Illinois Department of Transportation and other agencies under the jurisdiction of the Illinois Governor. HEM operates independently from the OEIG Investigative Division.

Training & Compliance Continued Oversight Over Ethics Training



The Ethics Act requires individuals under the OEIG's jurisdiction to complete ethics training. Employees complete training at least annually and new State employees, appointees, and officials complete initial ethics training within 30 days of the commencement of their employment or office.

In FY2018, State employees, board members, and elected officials participated in 185,015 ethics training sessions overseen by the OEIG. The OEIG provided online training for 50,300 employees and officials in agencies directly under the Illinois Governor. The OEIG provided additional paper-based trainings for State employees and officials and approved training plans and materials used by the four Chicago-area Regional Transit Boards and the nine State public universities.

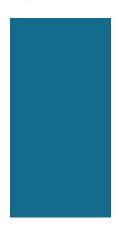
Training & Compliance New For 2018 - Sexual Harassment Training

In November 2017, the Ethics Act was amended to require the OEIG and the Executive Ethics Commission to oversee sexual harassment training in addition to ethics training. Like ethics training, employees are required to complete sexual harassment training annually starting January 1, 2018, and new employees must complete initial sexual harassment training within 30 days of the commencement of their employment or office.

Immediately after the new law came into effect, the OEIG began working with entities on their training for new employees. The OEIG sent letters outlining the training requirements under the Ethics Act, and reached out to entities under its jurisdiction to facilitate open communication about the new law and the training review process. For example, the OEIG had one-on-one calls with several ethics officers and Title IX Coordinators to discuss the training requirements and the amendments to the Ethics Act. The OEIG also drafted and circulated sample training materials.

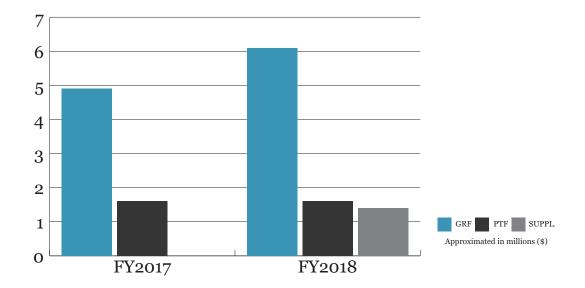
In FY2018 the OEIG reviewed and approved 12 new employee training materials. As part of its review process it conferred with and held meetings and/or conference calls with the EEC and the entity submitting the training.

Throughout FY2018, the OEIG worked with the same entities to help develop annual training.



Finances

Source of Funds



General Revenue Fund

The Illinois General Assembly appropriated \$6.1 million from the General Revenue Fund (GRF) for FY2018 ordinary and contingent expenses, which was an increase from FY2015 of \$336,600 or 6%. The OEIG received this increase, in part, for the expansion of the OEIG's Division of Hiring & Employment Monitoring. The FY2018 appropriation of \$6.1 million from the GRF nevertheless is 13% lower than the FY2011 GRF appropriation of \$6.9 million.

In addition, in June 2018, the OEIG received a supplemental appropriation of \$1.4 million from the GRF for unpaid OEIG bills accrued over the past two fiscal years as a result of not receiving the necessary funds because of the State budget impasse.

Public Transportation Fund

The Illinois General Assembly appropriated \$1.6 million to the OEIG from the Public Transportation Fund (PTF) to support the OEIG's investigation of matters pertaining to the Regional Transportation Authority, Chicago Transit Authority, Metra, and Pace. This \$1.6 million appropriation has remained flat since FY2014. However, the current PTF appropriation is 20% lower than the OEIG's first appropriation from the PTF in FY2012, which was \$2 million.

Financial Results

The OEIG's expenditures for FY2018 totaled approximately \$8.1 million: \$6 million from GRF for ordinary and contingent expenses; \$1.1 million from the supplemental GRF appropriation for prior fiscal years; and \$1 million from PTF.

OEIG Budget Results	GRF	GRF Suppl.	PTF	Total
Budget FY2018	\$6.1m	\$1.4m	\$1.6m	\$9.1m
Expenditures FY2018	\$6.om	\$1.1m	\$1.0m	\$8.1m
Variance	\$.1m	\$.3m	\$.6m	\$1.0m

Internal Controls

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

Total Operating Expenses [in thousands]	FY2017 (All Sources)	FY2018 GRF & PTF	FY2018 GRF Suppl.	
Personnel	\$5,122	\$5,276	\$o	
Leases, Vendors, and Central Management Services Chargebacks	\$250	\$1,477	\$934	
Telecommunications	\$20	\$71	\$121	
Printing and Office Supplies	\$10	\$115	\$ 0	
Travel and Conferences	\$7	\$14	\$ 0	
Office Equipment	\$2	\$58	\$ 0	
Automotive Repairs and Fuel	\$7	\$7	\$o	
Other	\$8	\$28	\$54	
Total	\$5,426	\$7,046	\$1,109	\$8,155 (All Sources)

Budgeting for Results

The following metrics provide indicators of OEIG work volumes:

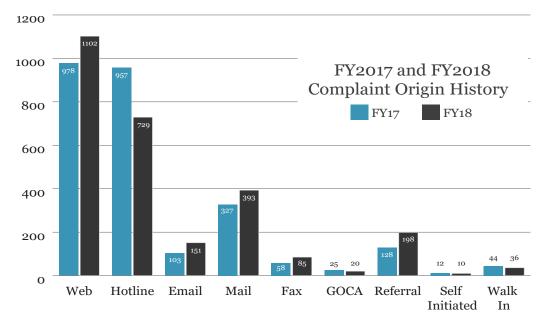
Performance Indicator	FY2017	FY2018
Complaints Evaluated	2,632	2,724
Investigations Completed	98	96
Publicly Disclosed Reports	25	14
Investigations Pending	106	100
Investigations Pending ≥ 6 months	49	59
Revolving Door Determinations Issued	162	181
Ethics Training Course Sessions	197,636	185,015



Investigations

Complaints Received and Evaluated

During FY2018, the OEIG received 2,724 complaints. The OEIG received these complaints through many different methods, including, among others, its toll-free hotline at 866-814-1113, complaint forms found on its website at: www.inspectorgeneral.illinois.gov, by U.S. mail, and by referral from others. For those who require it, the OEIG also accepts complaints via a telecommunications device for the deaf (TDD) at 888-261-2734. The following chart shows the origin of the complaints received by the OEIG in FY2017 and FY2018.



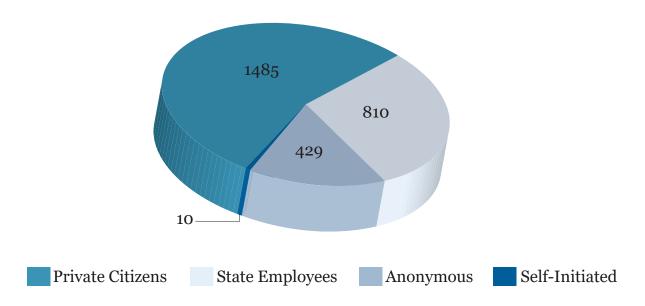
Complaints about entities under the jurisdiction of the OEIG may be submitted by anyone and may be submitted anonymously. However, a complaint must relate to the official conduct of:

- an employee of an executive branch State agency, board, or commission, or State public university under the jurisdiction of the OEIG;
- 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.

The OEIG received complaints from many different sources, including, for example, other State employees and private citizens. Some complaints were filed anonymously. The OEIG also self-initiated 10 investigations based on public information or information generated by other investigations. Below is a chart showing generally how complainants were identified in FY2018.





The OEIG must assign each complaint a file ID number and evaluate it within 30 days of receipt. After the initial evaluation, the OEIG will take one of the following actions:



The OEIG opened 90 investigations in FY2018. 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.

In FY2018, the OEIG administratively closed 228 complaints for various reasons. The OEIG administratively closed these complaints if, for example: the complaint did not allege a violation of State law, rule, or policy; the alleged wrongdoing occurred outside of the OEIG's statute of limitations; a related action was already pending; there were duplicate complaints about a matter; or the OEIG determined that it was not within its jurisdiction.

In FY2018, the OEIG referred 2,379 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 review the allegations and respond to the OEIG about these allegations. 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.

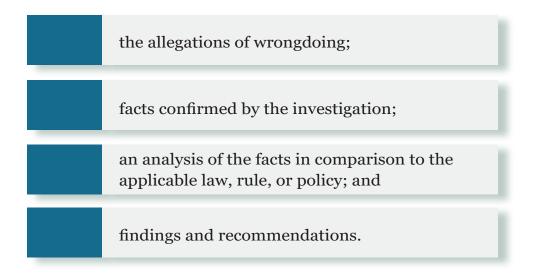
After a person files a complaint with the OEIG and the OEIG decides what action to take with that complaint, the complainant will typically receive a letter providing a file ID number for the complaint. Generally, the OEIG will only contact the complainant again if it needs additional information or clarification. The OEIG, may, in its discretion, provide the complainant or subject with an update on an investigation, including when the investigation is opened or closed.

Investigations Commenced and Concluded

For investigations the OEIG opens, it has "the discretion to determine the appropriate means of investigation as permitted by law." 5 ILCS 430/20-20(1). The OEIG investigates complaints by means such as interviewing witnesses, obtaining and analyzing relevant documents, 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 number and complexity of records that must be analyzed, and the OEIG's staffing levels.

At the conclusion of an investigation, if the OEIG determines that there is insufficient evidence that a violation of law or policy has occurred, it issues a written statement of its decision to close the matter to the EEC. Alternatively, the OEIG may "administratively close" an investigation for various reasons, including for example an expired statute of limitations, when the OEIG discovers there is a pending parallel proceeding, or when the agency has already adequately investigated and/or addressed the allegations.

If the OEIG determines there is reasonable cause to believe that a violation of law or policy has occurred, it will write a founded report that documents:



In accordance with State law, the OEIG provides founded reports only to the head of each agency affected by or involved with the investigation and the appropriate ultimate jurisdictional authority (for instance, to the Office of the Governor for agencies under the Governor's authority or the boards of trustees for public universities).

Disposition of Investigations	FY2017	FY2018
Founded Reports	29	24
Unfounded Reports	50	55
Administrative Closures	19	17
Total Closed Investigations	98	96

Results

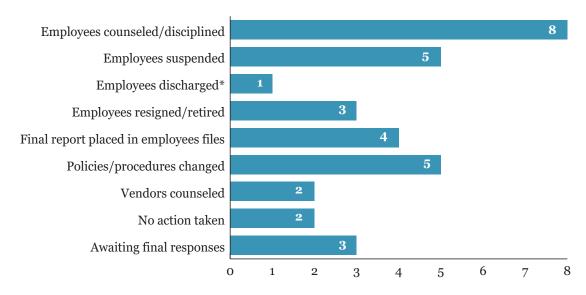
The OEIG completed 96 investigations in FY2018. As noted above, if the OEIG found violations of law or policy, the OEIG issued a founded report and made various recommendations to the affected agencies, which included, for example:



Agency Responses to OEIG Recommendations

Per the Ethics Act, the OEIG does not have the authority to enforce its recommendations; rather, it is the responsibility of the affected agencies to act upon OEIG 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. Agencies frequently adopt the OEIG's recommendations and take disciplinary action against employees or seek to change policies that may have contributed to misconduct or could at least help to prevent future misconduct. In certain instances, agencies begin to take disciplinary actions but must work through relevant grievance or other administrative processes to effectuate the discipline. For example, sometimes, as part of the grievance process, employees are ultimately allowed to resign in lieu of facing termination. The chart below summarizes how agencies responded to OEIG founded reports issued in FY2018.

Agency Responses to OEIG Recommendations



*In three OEIG investigations, prior to the issuance of the founded reports, eight State employees were terminated and two employees retired.

Within 30 days after receiving the agency response, the OEIG must forward a copy of a founded report and agency response to the EEC. The exception is when the OEIG believes a complaint should be filed alleging a violation of the Ethics Act. That process will be further described later in this Annual Report.

The EEC then has the responsibility to review OEIG founded reports and determine whether they should be made available to the public or not. The Ethics Act requires the EEC to publish founded reports and agency responses that resulted in a suspension of three or more days or termination of employment. The EEC can choose to make other founded reports public in its discretion.

Publicly Disclosed Founded Reports

During FY2018, the Executive Ethics Commission (EEC) made 14 founded reports of OEIG investigations available to the public. The EEC redacted these reports, as it deemed appropriate, and then placed them on the EEC's website, along with the relevant agency responses and responses from the subjects. The OEIG also subsequently placed the redacted versions of these founded reports on its own website. Below are summaries of these founded reports, organized by category based on the primary type of misconduct. These redacted reports are available at www.inspectorgeneral.illinois.gov.

Mismanagement and/or Lack of Oversight

In re: Office of the Governor, Central Management Services, et al., Case # 15-02180

An OEIG investigation revealed that each of the seven individuals who had been hired by the Illinois Department of Central Management Services (CMS) into 4d(3) exempt Regional Client Manager positions were not performing the duties in their position descriptions that would qualify them for the exemption under section 4d(3) of the Personnel Code. 4d(3) exempt positions involve either principal responsibility administrative determination of policy or the way in which policies are carried out. These positions can be filled based on political or other non-merit considerations whereas other State positions must be filled based on merit and fitness.

According to the position descriptions for the Regional Client Manager position, as well as the 4d(3) exemption requests CMS submitted to the Civil Service Commission (CSC) asking that the position be exempted, the Regional Client Manager duties included, among other things:

"[I]t is clear that the Regional Client Managers were not performing exempt work as set forth in the position description for a number of years...."

"It is the OEIG's opinion that there were many employees at CMS that knew, or should have known, that the Regional Client Managers were not doing exempt duties necessary to justify the 4d(3) exempt status, including the Regional Client Managers themselves, numerous supervisors, and numerous personnel staff."

- working with the Deputy Director of Property Management on formulating policy;
- developing and revising statewide facility management policies;
- serving as official agency spokesperson to other agencies, the public, vendors, and federal government officials regarding the development of property management initiatives and the resolution of property management issues; and
- reporting directly to the Deputy Director of Property Management.

The OEIG interviewed all seven Regional Client Managers as well as their former and current supervisors. Those interviews made it clear that the Regional Client Managers did not perform many of the duties listed in their position descriptions, including those the CSC relied on in determining the position was 4d(3) exempt. For example, the Regional Client Managers did not play a role in formulating, developing, or revising policy and did not serve as official agency spokespeople. Rather, the Regional Client Managers performed duties that were substantially similar to other CMS positions that were not 4d(3) exempt, such as setting up chairs for events or ordering supplies. Additionally, none of the seven reported directly to the Deputy Director of Property Management, nor did the two Deputy Directors of Property Management interviewed know many of the Regional Client Managers, or know what the position description duties were.

While the OEIG did not find evidence that the Governor's Office placed individuals into these positions knowing they would not be performing exempt work, the OEIG found that the Governor's Office and CMS failed to provide proper guidance and direction and failed to ensure that employees in these positions were actually conducting exempt work. This was especially disconcerting in light of the fact that abuse of exempt positions was previously raised in the 2014 OEIG Staff Assistant investigative report (OEIG Case #11-01567) and continues to be a focus of the federal *Shakman* litigation.

The Regional Client Manager positions were abolished as a result of the OEIG investigation. In addition, among other corrective action, CMS Deputy Director Josh Potts received a 14-day suspension. Also, then-Acting CMS Director Michael Hoffman informed the Governor that he intended to resign his position after key CMS leadership positions had been filled and corrective action was initiated.

In re: George Sheldon, Igor Anderson, and Andrew Flach, Case # 15-02309

The OEIG received a complaint alleging, among other things, that Department of Children and Family Services (DCFS) Director George Sheldon improperly contracted with various consultants, and improperly hired Igor Anderson. The OEIG conducted a joint investigation with the DCFS Office of Inspector General.

The investigation confirmed that Director Sheldon awarded a no-bid DCFS contract to a company owned by an individual with whom Director Sheldon co-owned property. Director Sheldon did not disclose his relationship with this individual to anyone at DCFS for more than

"Part of the purpose of procurement rules is to ensure that the State is getting the best price and using State funds appropriately. The process provides such review; failing to go through the process, whether intentional or not, bypasses an important requirement that all State agencies must follow."

a year after DCFS entered into the contract, during which time Director Sheldon continued to be involved in the work performed under the contract. Thus, the OEIG concluded that Director Sheldon violated conflict of interest rules. In addition, based on its investigation, the OEIG determined that:

- Director Sheldon and DCFS Public Information Officer Andrew Flach committed mismanagement by commissioning work without ensuring that the transaction complied with procurement rules;
- DCFS committed mismanagement by processing three no-bid contracts as grants;
- Mr. Anderson billed the State for time he was not working, failed to disclose restrictions on his driver's license, and drove a State vehicle without a valid driver's license; and
- Director Sheldon mismanaged DCFS when he hired Igor Anderson.

Director Sheldon resigned from State employment shortly after the OEIG issued its report to the Office of the Governor. The OEIG recommended that DCFS conduct training of procurement and contracts staff about the requirements for grants. The OEIG also recommended that DCFS not rehire Mr. Anderson, who was terminated during the investigation, and that DCFS continue to seek reimbursement from Mr. Anderson for payments he received for time he did not work. The OEIG made no recommendations regarding Mr. Flach, who left DCFS employment prior to the conclusion of the investigation. The Office of the Governor agreed with the OEIG's findings and recommendations.

Abuse of State Benefits and/or Funds

In re: Gwendolyn Brewer and Larry Girtley, Case # 13-01358

In April 2013, parts of 33 Illinois counties suffered flooding, which caused those areas to be declared federal disaster areas. Subsequently, the federal government authorized the Illinois Department of Human Services (DHS) to offer Disaster Supplemental Nutrition Assistance Program (D-SNAP) benefits to residents of the affected areas who suffered a loss during the disaster period. To apply for these D-SNAP benefits, each applicant had to complete and sign an application in person at certain DHS offices and to complete an interview with a DHS caseworker.

The OEIG investigated allegations that West Suburban DHS Office Caseworker Larry Girtley improperly processed 12 D-SNAP applications in violation of DHS policy. As part of its investigation, the OEIG reviewed all D-SNAP applications processed by the West Suburban Office at that time and found numerous additional D-SNAP applications that appeared to be processed for applicants who did not deliver their applications in person at the office. Some of these applications were incomplete and/or appeared to reflect false information.

In interviews with OEIG investigators, Mr. Girtley and Caseworker Gwendolyn Brewer admitted that they had given some blank applications to family and friends and then processed various completed applications without seeing any of those applicants at the office. Collectively, the applications processed by Mr. Girtley and Ms. Brewer resulted in a total of approximately \$48,000 in D-SNAP benefits being issued in violation of DHS policy. Thus, the OEIG determined that Mr. Girtley and Ms. Brewer processed June 2013 D-SNAP applications in violation of DHS

policy. The OEIG recommended that they be terminated. DHS sought their terminations but eventually allowed them to resign during the grievance process.

Throughout this investigation, the OEIG also found some Chicago Transit Authority (CTA) employees who obtained money and gifts in exchange for facilitating other CTA employees' submission of D-SNAP applications to DHS. With the help of Mr. Girtley and Ms. Brewer, they made it possible for some applicants to disregard the rules everyone else followed and some CTA employees received benefits based on D-SNAP applications that contained false information. The OEIG referred this matter to CTA to determine whether any disciplinary action was appropriate for these employees. In their response, CTA indicated that it could not take any disciplinary action against these employees because CTA has limited authority to discipline, govern, or otherwise regulate employees' off-duty conduct.

In re: Yolanda Jones, Case # 15-01772

DHS Division of Rehabilitation Services (DRS) Home Services Program pays for severely disabled individuals to hire personal assistants to help with household tasks, personal care, and certain health care procedures so that they may remain in their homes. In order to verify work hours and determine pay, personal assistants must complete and submit paper timesheets and also call an Electronic Voice Verification (EVV) system, using a customer's home telephone, at

"Yolanda Jones' estimate that she was not performing PA duties during 60-70% of the hours she billed would equate to over \$24,000 in fraudulent billing from 2014-2016."

the beginning and end of each of their shifts. The OEIG received a complaint alleging that DHS Caseworker Yolanda Jones was working as a personal assistant for her mother during her regular DHS work hours.

OEIG investigators surveilled Ms. Jones on four dates she reported working as a personal assistant. On these dates, Ms. Jones traveled to her mother's residence on only one occasion and did not exit the vehicle; rather, her son entered her mother's house. OEIG investigators reviewed Ms. Jones' timesheets for her positions as a DHS caseworker and as a personal assistant and found more than 230 out of a possible 365 days where Ms. Jones called in as a personal assistant before leaving work or before she would have been able to reach her mother's residence from her DHS office.

Investigators discovered that Ms. Jones and her mother listed the same cellular phone number on the DRS application and timekeeping materials. During her OEIG interview, Ms. Jones admitted that she would call in and out of the EVV system using her cellular phone when her mother was not present. She stated that she did take care of her mother, but there were also many days when she logged in as a personal assistant but did not even see her mother. Ms. Jones estimated that she was not working as a personal assistant for 60-70% of the hours she reported to DRS. The OEIG estimated that this could equate to over \$24,000 in fraudulent billing. The OEIG thus determined that Ms. Jones:

- reported working as a personal assistant during her regular DHS work hours;
- falsified her personal assistant timesheets; and
- defrauded DHS by billing for time she was not working as a personal assistant.

The OEIG recommended DHS terminate Ms. Jones and attempt to recoup all misappropriated State funds. Ultimately, Ms. Jones resigned and DHS started the process to recover the funds.

In re: Bobbi Mercer, Case # 17-00157

The OEIG received a complaint alleging that DHS Public Aid Eligibility Assistant Bobbi Mercer improperly issued Illinois Link cards containing Supplemental Nutrition Assistance Program (SNAP) benefits to individuals incarcerated in either the Adams County Jail or the Illinois Department of Corrections and that the benefits had been used since their issuance. A DHS investigation revealed 14 instances of Link cards being mailed to clients who were incarcerated at the time of mailing.

"[T]he surveillance videos showed on at least eight different occasions Ms. Mercer using a Link card that had been issued to DHS clients who were incarcerated at the time of its use, for a total of \$672.92 in purchases."

The OEIG investigated the 14 clients identified by DHS and discovered that Ms. Mercer's unique DHS-assigned identifying number was used to activate replacement Link cards for all 14 clients while they were incarcerated. The OEIG also discovered that 115 transactions were made using the 14 replacement Link cards, with 102 of those transactions occurring while the named Link cardholders were incarcerated. After determining the dates, times, and locations of the purchases made, the OEIG contacted the various stores regarding the availability of surveillance video for the dates and times of the transactions.

The OEIG reviewed surveillance videos and concluded that the surveillance videos show Ms. Mercer using Link cards that were issued to four DHS clients for nine transactions totaling approximately \$673. Three of the four cards used by Ms. Mercer were used for an additional 12 transactions, totaling approximately \$596 more, for which there was no surveillance footage available. The OEIG determined that:

- Bobbi Mercer's improper activation of Link cards with SNAP benefits and improper use of those benefits herself adversely affect the confidence of the public in violation of the DHS Employee Handbook; and
- Bobbi Mercer participated in fraud, dishonesty, or misrepresentation in the performance of her duties when she improperly activated Link cards and used SNAP benefits in violation of the DHS Handbook.

During this investigation, Ms. Mercer was terminated by DHS for conduct unbecoming a State employee. Because Ms. Mercer had already been terminated by DHS, the OEIG recommended that DHS place a copy of the OEIG report in her personnel file. DHS followed this recommendation. The OEIG also referred the matter to the Office of the Attorney General

for criminal prosecution. Ms. Mercer pled guilty to theft and was sentenced to probation and ordered to pay restitution.

In re: Catherine Houghtby, Case #16-00277

The OEIG investigated allegations that former Illinois Department on Aging (IDoA) employee Catherine Houghtby, who had retired shortly before the OEIG received the complaint, engaged in improper double billing of expenses. At the time of the complaint, IDoA utilized a private company called Illinois Council of Case Coordination Units (ICCCU) as a fiscal agent to pay expenses related to trainings and conferences that IDoA managed. The OEIG investigation revealed that Ms. Houghtby submitted two invoices, totaling \$2000, to ICCCU for reimbursement, falsely

"[T]here is reasonable cause to believe that Ms. Houghtby sought and accepted payments from ICCCU in 2014 for the glass awards, room rental, and entertainment fee when IDoA paid for those same expenses."

claiming that she had made the payments when in fact the invoices were paid by the Comptroller using IDoA funds. Additionally, the OEIG investigation revealed that Ms. Houghtby submitted the same \$150 expense to both ICCCU and IDoA and was thus reimbursed twice for the same expense. The OEIG found that Ms. Houghtby's actions in obtaining reimbursements from ICCCU for services that were also paid by IDoA adversely affected the confidence of the public and that she engaged in fraud, dishonesty, and/or misrepresentation in the performance of her duties.

Because Ms. Houghtby retired before the investigation, the OEIG recommended that IDoA place a copy of the OEIG report in her personnel file. IDoA followed this recommendation. The OEIG also referred the matter to the Office of the Attorney General for criminal prosecution. Ms. Houghtby entered a guilty plea to a misdemeanor count of theft and was sentenced to one year of conditional discharge and ordered to pay restitution.

Document Falsification

In re: Ronald Basenberg, Case # 16-01981

The OEIG investigated allegations that a recently-hired Metra employee, Machinist Ronald Basenberg, falsified information on his application by improperly omitting details of his previous employment. Prior to working for Metra, Mr. Basenberg worked for Canadian Pacific (CP) for more than two decades. He was fired by the company in March 2015, and

"Mr. Basenberg admitted to the OEIG that by stating that he left Canadian Pacific voluntarily, he falsified his Metra employment application."

the following month, he applied for a position with Metra. His application noted that he had worked for CP but claimed he left voluntarily due to "to[o] much stress" when in fact he was terminated for cause.

During his OEIG interview, Mr. Basenberg admitted that he falsified his Metra application, stating that he was embarrassed about his termination and needed new employment. In a written statement to Metra, Mr. Basenberg acknowledged that he was terminated by CP for work performance issues but stated that he did not disclose his termination because, at the time, he had a pending union grievance.

The applicable collective bargaining agreement between Metra and Mr. Basenberg's union permitted Metra to discipline or terminate Mr. Basenberg for providing false information on his employment application upon a showing that he would not have been hired if Metra had timely knowledge of such information. Accordingly, the OEIG recommended that Metra take whatever action it deemed appropriate with respect to Mr. Basenberg's continued employment. Metra discharged Mr. Basenberg as a result of the falsification.

In re: Nickoilya Burks, Case # 15-01647

While investigating allegations of misconduct involving DHS Caseworker Nickoilya Burks, the OEIG noticed that several disability leave of absence forms, which were purportedly signed by a physician and submitted to DHS on Ms. Burks' behalf, appeared to be copies of each other. Thus, the OEIG reviewed these forms further.

Ms. Burks was initially approved by DHS for extended disability leave from early June 2015 through early September 2015, and her disability leave was extended three times, through January 2016. The OEIG discovered that the three forms related to the leave extensions were nearly identical, except for the dates, which appeared to be altered. All three forms were purportedly authorized by the same doctor. OEIG investigators interviewed Ms. Burks' doctor and his assistant, and the doctor said that he authorized his assistant to complete and sign the first leave form on his behalf but did not authorize the remaining two forms to be completed or signed on his behalf. His assistant confirmed that she completed and signed the first leave

form on the doctor's behalf but denied signing the last two forms or altering any of the dates on the remaining forms.

In her OEIG interview, Ms. Burks denied altering any of the leave forms but admitted to faxing the latter two forms to DHS. The OEIG concluded that Ms. Burks violated DHS policy by participating in or condoning fraud, dishonesty, or misrepresentation in the performance of duties when she submitted two fraudulent forms to DHS. The OEIG recommended that Ms. Burks be disciplined, up to and including discharge. DHS initiated discipline; Ms. Burks then resigned.

In re: Jesus Martinez, Case # 16-00760

The OEIG received a complaint alleging that Capital Development Board (CDB) Administrator of Fair Employment Practices Jesus Martinez was conducting personal business while on State time. While the OEIG ultimately could not conclude that Mr. Martinez violated CDB policies by engaging in outside employment during State time, the OEIG did find some issues with Mr. Martinez's timekeeping practices.

"[A]t minimum the evidence obtained in this investigation shows that Mr. Martinez regularly failed to keep accurate timesheets and thus violated CDB policy."

Mr. Martinez's standard work day runs from 8:30 a.m. to 5:00 p.m., but he can deviate from this schedule when he represents CDB at after-hours events. Mr. Martinez's timesheets mostly indicated that he started work at 8:30 a.m.; however, at his OEIG interview, among other things, Mr. Martinez acknowledged that he often arrived at work at 9:00 or 9:30 a.m. and on occasion left work early. He explained that his timesheets generally record the same hours, regardless of when he works but acknowledged that his boss had directed him to record his time accurately. Mr. Martinez also admitted that he did not accurately track his time at off-site meetings or events, and he often failed to record these meetings in his Outlook calendar. Based on its investigation, the OEIG determined that Mr. Martinez knowingly and willfully failed to accurately and truthfully account for his hours worked, in violation of CDB policy.

Among other things, the OEIG recommended that CDB discipline Mr. Martinez, better supervise Mr. Martinez, require Mr. Martinez to accurately account for his time, and clarify timekeeping requirements with him. In response, CDB suspended Mr. Martinez for 10 days, and implemented all other OEIG recommendations.

Abuse of State Resources

In re: Robert Miller, Case # 17-00887

The OEIG investigated allegations that CTA Senior Manager, Purchasing Robert Miller had inappropriate photos on his CTA-issued computer. As part of its investigation, the OEIG seized Mr. Miller's computer and conducted a forensic review. During this review, the OEIG found hundreds of inappropriate images, including images that appeared sexual in nature. The OEIG also separately reviewed Mr. Miller's network activity and email archive, which together revealed that Mr. Miller searched for, viewed, saved and transmitted several non-CTA related images, similar to those found on his CTA computer.

During his OEIG interview, Mr. Miller admitted that some of the images found on his CTA computer could be considered offensive, disruptive, or sexually-explicit. He also admitted to accessing non-CTA business related websites from his CTA computer to view images, including some of the images found on his CTA computer; sending disruptive or inappropriate images to or from his CTA email; and enlisting the assistance of a former CTA coworker to transfer images from his personal cell phone to both his CTA computer and his personal laptop. Based on the investigation, the OEIG determined that Mr. Miller:

- violated several CTA policies by using his CTA computer to search for, view, save, and transmit offensive, disruptive, or sexually explicit images; and
- violated the CTA's information security policy by connecting a personal cell phone to his CTA computer in order to transfer images to his CTA computer.

The OEIG recommended that the CTA discipline Mr. Miller, up to and including termination. Mr. Miller resigned from his position at the CTA following issuance of the OEIG's report.

In re: Daniel Thompson, Case # 16-00712

The OEIG received a complaint alleging that Illinois Department of Transportation (IDOT) Vehicle Inspection Unit Manager Daniel Thompson attempted to sell his school bus stop arm invention (S.A.F.E. Gates) to school bus companies that he regulated and used the garage at Lakeview Bus Lines, a company that he regulated, as the development site for the invention. The complaint also alleged that Mr. Thompson completed work for his outside lawn care business while at his IDOT office.

The OEIG discovered that IDOT's Ethics Officer warned Mr. Thompson of the potential ethical

"By taking the active role he did in writing and sending the email to representatives of Illinois school districts, Mr. Thompson created a situation which could have resulted in bus companies, that he regulates, purchasing his products because of his marketing S.A.F.E. Gates to Illinois school districts." implications if he attempted to sell S.A.F.E. Gates while employed at IDOT, and told him to revisit the ethical implications of attempting to sell S.A.F.E. Gates while employed by IDOT, if the development of S.A.F.E. Gates ever progressed to the point of being ready for sale. Despite this advice from the Ethics Officer, Mr. Thompson worked with a partner employed by Lakeview Bus Lines on S.A.F.E. Gates, at Lakeview Bus Lines' garage, on multiple occasions. Additionally, approximately one month after his communications with the Ethics Officer, Mr. Thompson sent a promotional email for S.A.F.E. Gates to seven people in the school bus industry in Illinois, whose email addresses were recognizable as being from Illinois entities.

The investigation also uncovered that Mr. Thompson used his IDOT computer to create or work on at least 19 documents for S.A.F.E. Gates and for his lawn care business. Based on its investigation, the OEIG determined that:

- Mr. Thompson's outside work with S.A.F.E. Gates created an apparent conflict of interest in violation of IDOT's Conflict of Interest policy; and
- Mr. Thompson violated IDOT's Outside Employment policy by using State computing resources for S.A.F.E. Gates and for his lawn care business.

The OEIG recommended that IDOT take whatever action it deemed necessary with regard to Mr. Thompson's policy violations. In response to the OEIG's report, IDOT terminated Mr. Thompson's employment.

Violations of State Laws/State Rules/ Agency Policies

In re: Illinois Department of Financial and Professional Regulation and Amy Woodrum, Case # 17-00141

The OEIG investigated allegations relating to hiring practices at the Illinois Department of Financial and Professional Regulation (IDFPR) that resulted in the hiring of a former police officer convicted in federal court of participating in a drug conspiracy. The complaint alleged that the former police officer's criminal conduct included accessing confidential police data on behalf of a street gang, and that her IDFPR duties also gave her access to confidential information.

The investigation revealed that the applicant disclosed her conviction prior to being hired by IDFPR in 2016, but an Illinois State Police (ISP) criminal history background check did not list the conviction, because most background checks provided by ISP only report Illinois State convictions. Human Resource Specialist Amy Woodrum was responsible for screening applicants for this position. In an interview with the OEIG, Ms. Woodrum confirmed that she did not inquire about the inconsistency between the ISP report and the former police officer's IDFPR paperwork, even though she had seen the self-disclosed conviction. She also said that she did not tell anyone else at IDFPR about the applicant's criminal history.

In October 2013, the Office of the Governor issued an Administrative Order aimed at preventing State agencies from considering a job applicant's criminal history before evaluating the applicant's knowledge, skills, and abilities. However, the Administrative Order required each agency to establish a documented review process for the evaluation of a candidate's criminal history after the applicant was deemed eligible for the position. IDFPR had no documented review process. As a result, nobody at IDFPR examined whether the applicant's conviction should impact her IDFPR employment until after she began working there and other people discovered the conviction. The OEIG determined that:

- IDFPR violated Administrative Order No. 1 (2013) by failing to have a documented review process for the evaluation of a candidate's criminal history; and
- Ms. Woodrum committed misfeasance by failing to notify anyone at IDFPR about the candidate's criminal history or taking action to resolve the inconsistency between the ISP report and the applicant's self-disclosure.

The OEIG recommended that IDFPR create a written review process, and alert staff to the limited scope of ISP background checks. In response, IDFPR created a documented review process. The OEIG also recommended that IDFPR take any action it deemed appropriate with respect to Ms. Woodrum. In response, IDFPR counseled Ms. Woodrum on IDFPR's newly created documented review process for evaluating a candidate's criminal history.

In re: Teresa Hursey, Mark Huston, and Felicia Norwood, Case # 16-00897

The OEIG investigated an allegation that Illinois Department of Healthcare and Family Services (HFS) Director Felicia Norwood, Acting Medicaid Administrator Teresa Hursey, and Bureau of Ancillary Affairs Bureau Chief Mark Huston potentially violated procurement communications reporting requirements by failing to report communications they had with a lobbyist for a medical supplies association—an association including incontinence supplies vendors—while HFS had an active procurement for incontinence supplies.

Investigators learned that in early 2016, HFS issued a Request for Proposals (RFP) for a single-source vendor to provide incontinence supplies for Medicaid participants. Over the next several months, Ms. Hursey and Mr. Huston regularly communicated with the lobbyist about a proposal where the State's current incontinence supplies vendors would voluntarily reduce the cost of certain supplies in lieu of the State moving forward with the RFP. The OEIG found that although these communications involved material information, neither Ms. Hursey nor Mr. Huston reported them to the Illinois Procurement Policy Board (IPPB), as required. Further, throughout this time, Director Norwood was aware of the communications her staff were having with the lobbyist—having authorized and directed her staff to engage in discussions with the lobbyist—and participated in various related communications herself, as well. Nevertheless, Director Norwood never reported any of these communications to the IPPB, nor directed Ms. Hursey or Mr. Huston to do so, either.

Ultimately, the OEIG determined that Director Norwood, Ms. Hursey, and Mr. Huston each violated procurement communications reporting requirements by failing to report communications they had, or were otherwise involved in or aware of, to the IPPB. The OEIG

recommended that the Office of the Governor work with HFS to train staff involved in procurement matters on reporting requirements and ensure staff report applicable communications they are involved in, and to consider ensuring other directors and managers at agencies under its jurisdiction are aware of and trained on procurement communications statutes. The Office of the Governor agreed with the OEIG's recommendations.

In re: Laura Campbell, Case # 15-01145

The OEIG investigated a complaint that Laura Campbell, an Interim Bureau Chief at IDOT, conducted interviews for a *Rutan*-covered IDOT position for which her neighbor, Paul Lee, applied and was hired.

Administrative Order No. 2 (2009) requires, among other things, that interviews for *Rutan*-covered positions take place "in an atmosphere where interviewers are free of advance knowledge

"Ms. Campbell was involved in the scoring of interviews which resulted in the selection of her lifelong close personal friend who had supported her husband's campaign for sheriff."

of candidates" and that *Rutan* interview panels should not include any person who would have a conflict of interest with any of the applicants.

The OEIG found that Ms. Campbell did serve as an interviewer for the position into which Paul Lee was hired. Both Mr. Lee and Ms. Campbell told OEIG investigators that they and their spouses frequently visit each other's homes, have dinner together, and take vacations together. The OEIG also learned that Mr. Lee had attended several campaign events for and donated \$1,200 to Ms. Campbell's husband's campaign for Sangamon County Sheriff. Mr. Lee told the OEIG that he learned of the IDOT position from Ms. Campbell, who told him she thought he would be qualified for it and asked, "Why don't you apply for this?"

Ms. Campbell told the OEIG that, while she led the interview scoring for the other applicants, she had her co-interviewer do the scoring for Mr. Lee because she did not want to influence Mr. Lee's score. She also claimed that she informed both her co-interviewer and her supervisor of her friendship with Mr. Lee. Ms. Campbell's co-interviewer said he did not recall Ms. Campbell telling him about a friendship with a candidate or asking him to score one of the candidates. Ms. Campbell's supervisor denied any knowledge of a friendship between Ms. Campbell and one of the candidates and said if he had known he would not have allowed her to conduct the interviews. The OEIG determined that Ms. Campbell:

- violated Administrative Order No. 2 (2009) and IDOT's conflict of interest policy by participating in the interview of Mr. Lee; and
- failed to cooperate with the OEIG investigation by making false statements regarding her communications with her supervisor and co-interviewer.

The OEIG recommended that IDOT discipline Ms. Campbell. In response to the OEIG report, IDOT suspended Ms. Campbell for 30 days.

EEC Ethics Act Decisions Based on OEIG Founded Investigations

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, a gift ban or revolving door 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 addition to the founded report, the OEIG may also request that the Office of the Attorney General file a complaint related to this misconduct. The Office of the Attorney General may then file a complaint, on the OEIG's behalf, with the Executive Ethics Commission (EEC). If the EEC decides that a violation of the Ethics Act did indeed occur, the EEC may impose an administrative fine or take other appropriate injunctive relief. A decision of the EEC to impose a fine or injunctive relief is subject to judicial review.

In FY2018, the EEC publicly disclosed five disciplinary decisions after the OEIG found reasonable cause to believe that violations of the Ethics Act occurred and brought complaints to the EEC through the Office of the Attorney General. This year's decisions implicate three types of Ethics Act violations, namely, prohibited political activity, failing to cooperate with the OEIG's investigations, and revolving door notification violations.

Prohibited Political Activity

The Ethics Act prohibits State employees from "intentionally perform[ing] prohibited political activity during any compensated time..." and "intentionally misappropriat[ing] any State property or resources by engaging in prohibited political activity for the benefit of any campaign for elective office or any political organization." 5 ILCS 430/5-15(a).

Haling v. Bartolomucci (18-EEC-009)

Joel Bartolomucci served as a Highway Maintainer for IDOT from June 2014 to October 2017. The OEIG's investigation revealed that on four different occasions from September 28 through October 14, 2016, Mr. Bartolomucci sent text messages from his personal cellular phone to his coworkers to seek help in connection with a political candidate's campaign activities. Specifically, through these text messages, he engaged in preparations for, and the organization of, meetings, rallies, and demonstrations in furtherance of an effort to influence the election of Mike Mathis for State Representative of the 95th District in the general election held on November 8, 2016. In an interview, Mr. Bartolomucci admitted to OEIG investigators that he sent these text messages on State compensated time.

The OEIG brought a complaint to the EEC through the Office of the Attorney General, alleging that Mr. Bartolomucci engaged in prohibited political activity. Mr. Bartolomucci stipulated to a

series of facts from which the EEC concluded that he violated Section 5-15(a) of the Ethics Act by intentionally performing prohibited political activity during State-compensated time. As a result of these violations, Mr. Bartolomucci was suspended for five days by IDOT and was given a \$1,500 fine by the EEC.

Failure to Cooperate with the OEIG

The Ethics Act requires State employees under the OEIG's jurisdiction to "cooperate with the Executive Inspector General and the Attorney General in any investigation undertaken pursuant to this Act. Failure to cooperate includes, but is not limited to, intentional omissions and knowing false statements." 5 ILCS 430/20-70. The Ethics Act further states that the EEC may levy a fine against any person who "intentionally obstructs or interferes with any investigation conducted under this Act by an inspector general...." 5 ILCS 430/50-5(e).

Haling v. Flenoy (18-EEC-005)

Darryl Flenoy was hired as a Social Service Career Trainee with DHS in November 2013, and was promoted to Caseworker in November 2014. On his initial employment application, Mr. Flenoy indicated that he had never been fired from a job, and certified that the information on his application was true and accurate. In January 2015, Mr. Flenoy submitted three additional applications for other positions within the State; two of these applications contained employment history discrepancies when compared to his original employment application and his third January 2015 application. Specifically, these two applications listed previous employment with the Chicago Police Department (CPD)—which

"Respondent violated Section 50-5(e) of the Ethics Act when he intentionally obstructed or interfered with an investigation of the EIG, pursuant to the **Ethics** answering Act, bv questions falsely several during interviews and written submissions to the EIG thereafter."

the other applications did not—and indicated that Mr. Flenoy left the CPD to take a position with another agency after earning a master's degree. As with his initial application, when completing each of these three additional applications, Mr. Flenoy certified that the information therein was true and accurate. During the investigation, the OEIG confirmed that Mr. Flenoy was previously employed by the CPD, but learned that he was actually discharged in June 2005 for misconduct. OEIG investigators interviewed Mr. Flenoy about his CPD employment and his State employment applications; during that interview, Mr. Flenoy denied that he had ever been fired from a job, denied knowledge of his discharge from the CPD, falsely described the circumstances under which he left the CPD, and stated that the employment histories in his State employment applications were accurate.

The OEIG brought a complaint to the EEC, through the Office of the Attorney General, alleging that Mr. Flenoy failed to cooperate with the OEIG's investigation. Mr. Flenoy stipulated to a series of facts from which the EEC concluded that he intentionally obstructed and interfered with the OEIG's investigation, in violation of the Ethics Act, when he knowingly and intentionally made false and materially misleading statements and intentional omissions during his interview with OEIG investigators. The EEC levied a \$1,000 fine against Mr. Flenoy.

Revolving Door Violations - Failure to Notify the OEIG of Prospective Employment

The revolving door provisions of the Ethics Act prohibits 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 the one year period immediately preceding separation from State employment, the employee participated personally and substantially in the awarding of State contracts or grants with a cumulative value of \$25,000 or more to his or her prospective employer, or in a regulatory or licensing decision involving his or her prospective employer. 5 ILCS 430/5-45(a) and (b).

To enforce these provisions, Section 5-45(c) of the Ethics Act requires the Governor to adopt a policy delineating which State positions, by the nature of their duties, may have the authority to participate personally and substantially in contracting, regulatory, or licensing decisions. In order to effectuate this, each State agency under the jurisdiction of the Governor is asked to provide a list of such positions and the names of the employees in those positions to the Office of the Governor. These lists are commonly referred to as "c-lists." If an employee in a position included on his or her agency's "c-list" is offered non-State employment within one year following his or her separation from State employment, that individual must notify the OEIG of this offer of employment prior to acceptance. 5 ILCS 430/5-45(f). Illinois law provides that any employee who is on the "c-list" and fails to provide notice to the OEIG of any non-State employment offer received within one year of the termination of that employee's State employment "shall be subject to a fine" of up to \$5,000. 5 ILCS 430/50-5(e).

Hickey v. Larry Fairbanks (17-EEC-006) Hickey v. Scott Harper (17-EEC-007) Hickey v. Robert Westover (17-EEC-008)

Larry Fairbanks worked for the Illinois State Board of Education as a Principal Consultant from December 2011 until November 2015. Scott Harper worked for the Illinois Department of Natural Resources as the agency's Chief Fiscal Officer from January 2013 until January 2015. Robert Westover worked for the Illinois Department of Commerce and Economic Opportunity as an Assistant Deputy Director from February 2004 until March 2015. Due to the nature of their duties and responsibilities, each was designated as a "c-list" employee by his respective

State agency, and thus was required to seek a revolving door determination from the OEIG prior to accepting any offer of non-State employment received within one year of their separation from the State. However, a review of OEIG revolving door records and interviews with Messrs. Fairbanks, Harper, and Westover confirmed that none of them sought a determination from the OEIG.

The OEIG brought complaints to the EEC through the Office of the Attorney General, alleging that Mr. Fairbanks, Mr. Harper, and Mr. Westover each violated the Ethics Act when they failed to notify the OEIG and obtain a determination of eligibility prior to accepting non-State employment. All three individuals ultimately stipulated to a series of facts indicating that they failed to seek the required revolving door determination from the OEIG. The EEC concluded that these failures violated Section 5-45(f) of the Ethics Act, and levied \$500 fines against Mr. Fairbanks, Mr. Harper, and Mr. Westover.

Revolving Door Determinations



The revolving door provisions of the Ethics Act prohibit
State employees who "personally and substantially" participated in regulatory, licensing, or procurement decisions from accepting employment or compensation from the subject of that decision, or its parent or subsidiary.

The revolving door provisions of the Ethics Act prohibit State employees, for one year after leaving public service, from accepting employment or compensation from a person or entity if, during the year prior to leaving public service, the employee participated "personally and substantially" in the award of certain contracts or change orders to, or in regulatory or licensing decisions directly applicable to, the person or entity, or its parent or subsidiary.

"C-list" Requirements and Determination Process

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." They should be instructed in writing by their agency that they are on the "c-list." The duty to seek a determination from the OEIG continues for a period of one year immediately after ending State employment. The Ethics Act describes these "c-list" requirements in subsection (c) of Section 5-45.

To notify the OEIG about a prospective job offer, employees should go to the OEIG's website and follow the revolving door instructions, which include having both the employee and his/her ethics officer complete certain forms, available at: <u>OEIG Revolving Door Tab</u>. OEIG staff will review information from these forms and conduct interviews of the employee, the employee's supervisor, and others, as needed. The OEIG also examines various public records relating to any contract awards or regulatory or licensing decisions involving the employee.

Within 10 calendar days of receiving the forms from both the employee and the ethics officer, the OEIG will issue a determination indicating whether the employee "personally and substantially" participated in the award 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 this determination, the OEIG will also examine the effect that the prospective employment may have had on any such awards or decisions.

The OEIG's determination may be appealed to the EEC by either the affected employee or the Office of the Attorney General no later than 10 calendar days after the date of the determination. The EEC must issue its decision within 10 calendar days. Therefore, the OEIG's determination is not final until either the time to appeal has expired or until the EEC has made its decision on an appeal. Requests for revolving door determinations and the resulting determinations are generally not public. However, once the EEC rules on an appeal, its decision becomes public.

"H-list" Restrictions

Under the Ethics Act, subsection (h) of Section 5-45, a limited number of State officers, employees, or appointees in certain high-level positions, called "h-list" employees, are strictly prohibited from accepting employment or compensation from people or entities who are parties to certain contracts involving their State agencies, or subject to regulatory or licensing decisions involving their agencies, regardless of whether they participated personally and substantially in the regulatory or licensing decisions or the award of the contracts.

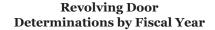
There is no determination process through the OEIG for people on the "h-list." If "h-list" employees have questions about prospective job offers, they may contact their ethics officer for guidance.

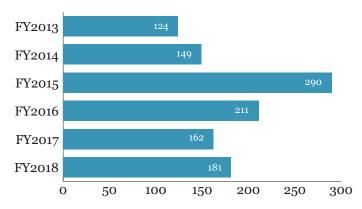
Penalities for Violations of the Revolving Door Provisions

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. In addition, "c-list" employees who fail to seek a determination may face a fine of up to \$5,000.

Revolving Door Statistics

In FY2018, the OEIG investigated and made 181 revolving door determinations. The OEIG determined that four of those employees were restricted from accepting their post-State employment offers. There was an increase in the number of determinations requested by State employees in FY2018 compared to the previous fiscal year. On the following page you will find a chart showing the number of revolving door determinations made by the OEIG between FY2013 and FY2018.





In addition, the number of requests for a revolving door determination generally increased as FY2018 progressed. This chart reflects the number of revolving door determinations made each month by the OEIG in FY2018.

July 2017
August 2017
September 2018
October 2017
November 2017
December 2017
January 2018
February 2018
March 2018
April 2018
May 2018
June 2018

FY2018 Revolving Door Determinations

Based on current trends, the OEIG anticipates the number of requests for revolving door determinations to continue to increase in FY2019.

15

20

25

5

Revolving Door Decisions

In FY2018, only one revolving door determination by the OEIG was appealed to the EEC. In that decision, the EEC affirmed the OEIG's determination that an employee was restricted from accepting an offer of non-State employment.

In re: Andrew M. Schwartz (18-EEC-010)

Andrew Schwartz is an Assistant General Counsel with the Illinois Department of Public Health (IDPH). In this role, Mr. Schwartz served as a prosecutor in administrative proceedings related to long-term care licensure violations. Specifically, Mr. Schwartz advised on settlement proposals, tried cases, and prepared settlement documents. Mr. Schwartz participated in administrative

proceedings concerning facilities managed by Aperion Care, Incorporated (Aperion). On May 18, 2018, Mr. Schwartz was offered employment with Aperion. His supervisor at Aperion was to be an individual who represented Aperion-managed facilities in proceedings before IDPH. Mr. Schwartz sought a revolving door determination from the OEIG, and, on June 4, 2018, the OEIG determined that Mr. Schwartz personally and substantially participated in regulatory decisions related to Aperion and restricted him from accepting this offer of employment.

Mr. Schwartz appealed the OEIG's decision, arguing that a final decision had not been issued in one of the matters he prosecuted for IDPH involving facilities managed by Aperion and that he did not make any regulatory decisions because he was not the final decision maker. Mr. Schwartz also argued that he did not directly regulate Aperion, his prospective employer, because facilities managed by Aperion were independent from Aperion.

The EEC affirmed the OEIG's decision and determined that Mr. Schwartz participated personally and substantially in regulatory decisions that directly applied to Aperion. The EEC opined that a State employee may be personally and substantially involved in a regulatory decision even though he or she is not the final decision maker and noted that the revolving door statute does not require that a decision be final to trigger the revolving door prohibition. The EEC also stated that because Aperion exerted significant control over the facilities it manages and Mr. Schwartz acknowledged his involvement on his revolving door forms, he participated in regulatory decisions applying to Aperion.



Hiring & Employment Monitoring

HEM File Reviews and On-Site Monitoring



During in-person, on-site monitoring of interviews, HEM staff evaluate whether the interview process is consistent, standardized, and free from inappropriate bias.

In FY2018, the Hiring & Employment Monitoring Division's (HEM) work continued to advance ongoing hiring reform efforts generally aimed at insulating personnel decisions from improper influence. Executive Order 2016-04, § VI mandates that each State agency and employee must cooperate with and provide assistance to HEM as it conducts its hiring or employment-related review.

In conducting file reviews and on-site monitoring to assess whether agency hiring decisions have complied with governing authority or are justifiable, HEM staff reviewed position descriptions, job postings, eligible lists, bid records, internal personnel requests, hiring criteria, interview questions, candidate job applications, interview lists, interviewer notes, candidate evaluation forms, and employment decision forms, among other documentation. When an agency used a screening tool to narrow the applicant pool, HEM staff reviewed the screening tool against the requirements of the position and the qualifications of the applicants to determine if the screening tool was properly applied and captured the most qualified candidates to interview. In monitoring interview sequences, HEM staff evaluated whether the interview process was consistent, standardized, and free from inappropriate bias. Based on their findings, HEM staff made oral and written recommendations to agency personnel related to their employment decisions, including recommendations regarding interview questions, hiring criteria, scoring errors, and candidate selection decisions. HEM's recommendations were routinely implemented by agency personnel or other interested parties.

Hiring & Employment Monitoring

Numbers at a Glance



HEM Work with Shakman Federal Monitor

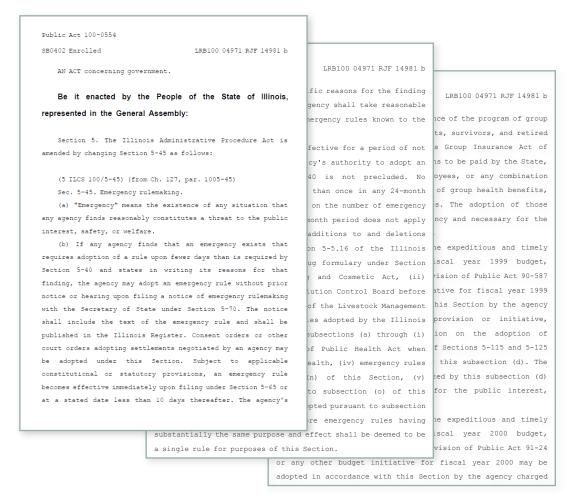
HEM staff also work closely with Special Master Noelle Brennan as her office conducts its court-appointed duties pursuant to the ongoing federal *Shakman* litigation, which requires specific review of IDOT's employment practices, as well as a systemic, statewide review regarding exempt positions under the jurisdiction of the Governor. In addition, HEM staff works with the *Shakman* monitor, the Illinois Department of Central Management Services and other agencies, as well as the Governor's Office, in reviewing and advising on the propriety of system changes and personnel decisions. In so doing, HEM engages in extensive hiring file reviews, monitors interview sequences in real time, and offers input and recommendations on how to proceed.

In conjunction with the Special Master's Office expanded statewide review, HEM has worked extensively to facilitate the establishment of a list of positions under the jurisdiction of the Governor that are properly identified as "exempt," *i.e.*, positions for which the employer may take into account political considerations when making employment decisions. In performing this work, HEM has been integral in advising on ways to get an accurate verification and evaluation of actual duties being performed, developing guidelines and policies for agency use, and reviewing – systemically, agency-by-agency, and specifically – the necessity and usage of exempt staff.



Training & Compliance

New Oversight Role for Sexual Harassment Training



On November 16, 2017, the Governor signed Public Act 100-0554 (Senate Bill 402) into law. Public Act 100-0554, among other things, requires "[e]ach officer, member, and employee [to] complete, at least annually beginning in 2018, a sexual harassment training program." 5 ILCS 430/5-10.5. Further, "a person who fills a vacancy in an elective or appointed position that requires training under this Section must complete his or her initial sexual harassment training program within 30 days after commencement of his or her office or employment."

The Ethics Act now requires the EEC and OEIG to oversee those sexual harassment training

programs. Thus, the OEIG has been reviewing the training programs submitted by the entities under its jurisdiction, to ensure that those programs meet the minimum standards set forth in the Ethics Act. Those minimum standards require the training to include:

- (i) the definition, and a description, of sexual harassment utilizing examples;
- (ii) details on how an individual can report an allegation of sexual harassment, including options for making a confidential report to a supervisor, ethics officer, Inspector General, or the Department of Human Rights;
- (iii) the definition, and description of, retaliation for reporting sexual harassment allegations utilizing examples, including availability of whistleblower protections under this Act, the Whistleblower Act, and the Illinois Human Rights Act; and
- (iv) the consequences of a violation of the prohibition on sexual harassment and the consequences for knowingly making a false report.

In order to assist entities in drafting new employee and annual sexual harassment training, the OEIG drafted and circulated sample training materials and has been working diligently with entities to review and approve trainings. Additionally, the OEIG has met with the EEC to discuss the review of trainings and implement a process for overseeing the sexual harassment training programs.

For example, the OEIG received training from the universities, Regional Transit Boards, and Office of the Governor. In FY2018, the OEIG, in collaboration with the EEC, reviewed and approved 12 new employee trainings. The OEIG and the EEC also reviewed several annual sexual harassment trainings.

Continued Oversight Ethics Training

The OEIG has three statutory responsibilities regarding ethics training for employees, appointees, and officials under its jurisdiction:

- oversee, in cooperation with the EEC and the Office of the Attorney General, ethics training for State employees working for agencies of the Governor, the nine State universities, and the four Chicago-area Regional Transit Boards;
- set ethics training standards for ethics training at nearly 250 entities; and
- monitor employee compliance with the ethics training requirements.

The OEIG offers training in several forms, on-line and off-line, aimed at employees, appointees to State boards and to the members of the four Chicago-area Regional Transit Boards under OEIG jurisdiction. The OEIG also reviews and evaluates on- and off-line training materials developed by the universities and the Chicago-area Regional Transit Boards for their own employees. Ethics training covers a range of topics, drawing on elements of the Ethics Act, the Governmental Ethics Act, the Procurement Code, the Criminal Code and the Whistleblower Act, as well as departmental policies, executive and administrative orders, and court rulings related to hiring and employment. Training addresses improper political activities, bribery and the gift ban, revolving door rules, and employee rights and responsibilities in investigations, among other topics.

The OEIG strives to make its training materials fully compatible with the Illinois Information Technology Accessibility Act and, when existing forms of training cannot meet the needs of particular employees or appointees, the OEIG prepares customized modifications. For example, last fiscal year, the OEIG worked with specialists at the Department of Human Services to optimize the color contrast in our off-line training materials, in order to more fully meet the needs of State employees and appointees who have impaired vision.

Also in FY2018, the legislature passed and the Governor signed Public Act 100-0043, which among other elements expanded the number of required topics to be featured in ethics training. Additions to the statutory requirements included sections of the Procurement Code addressing communications reporting, confidentiality, and anti-competitive practices. While OEIG-created ethics training materials had previously touched on those topics, the OEIG expanded and revised the discussions in training materials of those sections of the Procurement Code, along with Section 5-50 of the Ethics Act on ex parte communications, to clarify responsibilities in these areas and the relationships between these laws.



Outreach & Development







In addition to its mandated oversight of training, the OEIG promotes ethical awareness in general and awareness of the OEIG's activities in particular, and seeks to maintain operational excellence by training and developing its staff.

General Outreach Efforts

To improve transparency and promote awareness of the OEIG's functions, OEIG staff members participated in various outreach activities. In FY2018, the OEIG:

- met with 19 newly-designated ethics officers to discuss the administration of ethics training; answer questions; and explain the OEIG's authority, programs, and operations;
- addressed meetings of the national and Illinois chapters of the Association of Inspectors General;
- participated on panels at the EEC's Annual Ethics Officer Conference; and
- presented on best practices in grant monitoring to the Illinois Criminal Justice Information Authority and the Illinois Department of Human Services.

The OEIG also continued its Awareness Campaign in order to promote awareness of the OEIG's mission and work. The OEIG Awareness Campaign has focused its efforts on creating a greater presence for the OEIG in State of Illinois offices. For example, as part of the OEIG Awareness Campaign the OEIG designed a video that provides background about the OEIG's jurisdiction and mission. That video plays at the beginning of the annual online ethics training taken by over 50,000 State employees.

The OEIG also expanded its presence on social media and now has a page on LinkedIn that provides information about the Office and updates on OEIG matters. For example, followers of the OEIG LinkedIn page receive updates about OEIG newsletters and the latest employment opportunities.

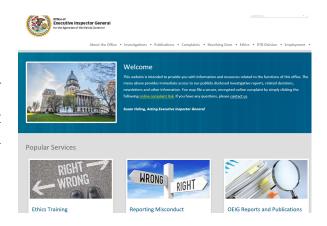
Electronic Newsletter

The OEIG produces a one-page monthly electronic newsletter, Illinois Ethics Matters. The OEIG delivers Illinois Ethics Matters to State agencies, the General Assembly, news media, and the public. Many recipients, such as State agency ethics officers, redistribute the newsletter throughout their respective organizations. The newsletter addresses: publicly disclosed OEIG reports; public findings related to alleged violations of the Ethics Act; appeals of OEIG revolving door determinations; changes or proposed changes to ethics laws, rules, or policies; and other ethics-related information of interest to the public.



Website

The OEIG website, <u>www.inspectorgeneral.illinois.</u> gov, provides 24/7 access to complaint forms, revolving door forms, ethics officer contact information, publicly disclosed OEIG reports, and other information about the OEIG.



Ongoing Staff Training

Continuing education and training of staff are key components of the OEIG's initiative to maintain efficiency and effectiveness. The OEIG trains new staff on applicable laws, administrative rules, and OEIG policies and procedures. Investigative staff receive regular and ongoing instruction concerning legal developments, administrative policies, and investigative tools and techniques. During FY2018, OEIG employees participated in external training programs on topics such as:



- interview and selection (the *Rutan* hiring process)
- performance audits and corporate fraud
- the Grant Accountability and Transparency Act (GATA)
- transit agency procurement, property management, and risk assessment
- investigative interviewing skills
- internet investigations and computer forensics
- cybersecurity
- sexual harassment

Internships

The OEIG manages an internship program that permits qualified students to conduct legal research, draft memoranda, and participate in investigative activities. Legal interns must be enrolled in an accredited law school, and investigative interns must be junior, senior, or graduate-level students in a program related to criminal justice or public administration at an accredited college.

In FY2018, one legal intern and five investigative interns worked at the OEIG.





Health Care Fraud Elimination Task Force

The Illinois Health Care Fraud Elimination Task Force was created by Executive Order (2016-05) in April 2016. Acting EIG Haling chairs the Task Force, which is charged with, "develop[ing] and coordinat[ing] a comprehensive effort to prevent and eliminate health care fraud, waste, and abuse in State-administered health care programs using a cross-agency, data-driven approach."

The Task Force is made up of a diverse membership of agency leaders with experience administering health care programs and implementing fraud, waste, and abuse prevention efforts. The expertise of the Task Force has allowed it to be constantly mindful of striking the important balance of addressing fraud, waste, and abuse in health care programs, without imposing unnecessary barriers to service. The Task Force members include:

- The Executive Inspector General for the OEIG
- The Deputy Governor
- The Chief Compliance Officer for the Office of the Governor
- The Special Counsel and Policy Advisor to the Governor for Healthcare and Human Services
- The Inspector General for the Department of Healthcare and Family Services
- The Director of the State Police Medicaid Fraud Control Unit
- The Director of the Department on Aging
- The Director of the Department of Central Management Services
- The Director of the Department of Healthcare and Family Services
- The Secretary of the Department of Human Services
- The Secretary of the Department of Innovation and Technology
- The Director of the Department of Insurance
- The Chairman of the Workers' Compensation Commission

The Task Force's study of State best practices, Illinois' current practices, and federal and private sector best practices has led it to develop four areas of focus. The Task Force believes that issues with fraud, waste, and abuse, in State-administered programs can be addressed and alleviated by the State and its agencies devoting greater attention to the following areas: (1) collaboration



and coordination; (2) data analytics and metrics; (3) accountability and efficiency; and (4) safety and wellness. These areas have been used by the Task Force to focus its resources and working groups. The Task Force's work, planning, and recommendations to State agencies focus on improvement to the State's fraud, waste, and abuse elimination efforts in these four areas.

To fully explore the issues in State-administered health programs, the Task Force formed three working groups, focused on the three broad health care program areas within State government: (1) the Medicaid Program, (2) the State Employee Group Insurance Program, and (3) the Workers' Compensation Program for State agencies. These working groups allow the Task Force to efficiently manage its broad mandate by focusing its resources on three priority State-administered health care programs. The focus of each working group has been to engage in a thoughtful analysis of the current status of its program and to compare Illinois' system with the best practices in other states, the private sector, and the federal government. Each working group has reviewed documentation related to its focus, held multiple meetings, and engaged third-parties to obtain recommendations.

The Task Force holds public meetings every quarter and has drafted two public reports on its progress. The October 2016 Initial Six-Month Report and the October 2017 Interim Report are posted on the OEIG's website.

Legislative Activity



This year, the General Assembly passed laws amending the Ethics Act that directly impact the OEIG's duties.

Public Act 100-0554 (Senate Bill 402)

Public Act 100-0554 (Senate Bill 402) made several amendments to the Ethics Act and other statutes regarding sexual harassment, including: 1) requiring sexual harassment policies; 2) adding a prohibition on sexual harassment; 3) requiring sexual harassment training; and 4) establishing penalties for violating the sexual harassment prohibitions.

Sexual Harassment Policies

Public Act 100-0554 amended the Ethics Act Section 5-5 (Personnel policies) to provide for the adoption of policies prohibiting sexual harassment. Specifically, it states:

No later than 30 days after the effective date of this amendatory Act of the 100th General Assembly, the policies shall include, at a minimum: (i) a prohibition on sexual harassment; (ii) details on how an individual can report an allegation of sexual harassment, including options for making a confidential report to a supervisor, ethics officer, Inspector General, or the Department of Human Rights; (iii) a prohibition on retaliation for reporting sexual harassment allegations, including availability of whistleblower protections under this Act, the Whistleblower Act, and the Illinois Human Rights Act; and (iv) the consequences of a violation of the prohibition on sexual harassment and the consequences for knowingly making a false report.

Prohibition on Sexual Harassment

Public Act 100-0554 creates a new Section, 5-65, titled "Prohibition on sexual harassment." This section states:

- (a) All persons have a right to work in an environment free from sexual harassment. All persons subject to this Act are prohibited from sexually harassing any person, regardless of any employment relationship or lack thereof.
- (b) For purposes of this Act, "sexual harassment" means any unwelcome sexual advances or requests for sexual favors or any conduct of a sexual nature when: (i) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; (ii) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (iii) such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment. For purposes of this definition, the phrase "working environment" is not limited to a physical location an employee is assigned to perform his or her duties and does not require an employment relationship.

Sexual Harassment Training

Public Act 100-0554 amended the Ethics Act to create a new Section, 5-10.5, to require sexual harassment training. This section requires each officer, member, and employee to complete, annual sexual harassment training beginning in 2018. It also outlines minimum standards for the training. The law states: "Sexual harassment training programs shall be overseen by the appropriate Ethics Commission and Inspector General appointed under this Act." Additionally, the ultimate jurisdictional authority (UJA) is required to submit to the EEC a report summarizing the sexual harassment training for the previous year and the plan for training in the upcoming year. The report shall also include the name(s) of individuals who failed to complete training.

Penalties

Public Act 100-0554 amends Section 50-5 (Penalties) to provide that a person who violates Section 5-65, the prohibition on sexual harassment, is subject to a fine of up to \$5,000 per offense, and is subject to discipline or discharge by the appropriate UJA. Persons that violate the sexual harassment prohibition of the Lobbyist Registration Act are also subject to a fine of up to \$5,000.

OEIG's Participation in Legislative Hearings regarding 100-0554

After Public Act 100-0554 was passed, the General Assembly convened two Task Forces to review issues related to sexual harassment and discrimination: The Senate Sexual Discrimination and Harassment Awareness and Prevention Task Force and the House Sexual Discrimination and Harassment Task Force. The OEIG testified before each Task Force regarding its processes and the impact of Public Act 100-0554.

On December 11, 2017, former EIG Hickey and then-First Assistant Inspector General Susan Haling testified before the House Sexual Discrimination and Harassment Task Force. At the hearing, the OEIG discussed the process our Office follows when it receives sexual harassment allegations, and how founded reports are disclosed. The OEIG also discussed that due to Public Act 100-0554, the OEIG can make an Ethics Act finding of sexual harassment, and the violator faces harsher penalties, including a fine of up to \$5,000 per offense.

After the hearing the Task Force sought additional information regarding the OEIG's Equal Employment Opportunity Office's (EEOO) process. In response, on January 11, 2018, the OEIG submitted written testimony to the House Sexual Discrimination and Harassment Task Force regarding the OEIG's EEOO process.

On January 30, 2018, former EIG Maggie Hickey and Deputy Inspector General – Executive Projects Christine Benavente appeared before the Senate Task Force on Sexual Discrimination and Harassment Awareness and Prevention. At the hearing, former EIG Hickey provided an overview of the OEIG and discussed the actions the OEIG had taken to implement Public Act 100-0554. For example, EIG Hickey discussed that the Office provided guidance and sample sexual harassment training materials to the RTBs and the nine State universities, and approved new employee sexual harassment training materials for the agencies under the Governor.

After appearing before the Task Forces, the OEIG continued to work with legislators and provide its input on proposed amendments to the Ethics Act relating to sexual harassment issues and investigations.

Public Act 100-0588 (House Bill 138)

On June 8, 2018, the Governor signed Public Act 100-0588 into law and it became effective on that date. This law makes several amendments to the Ethics Act, including changes that specifically address the OEIG's reporting of information, further discussed below.

Information on the OEIG website

Amended Section 20-20 (Duties of Executive Inspectors General) added a new duty that the EIG shall "post information to the Executive Inspector General's website explaining to complainants and subjects of an investigation the legal limitations on the Executive Inspector General's ability to provide information to them and a general overview of the investigation process." The OEIG has added this information to its website.

Timing of Attorney General Referrals

Amended Section 20-50 (Investigation reports) added language allowing the EIG to refer an Ethics Act violation to the Attorney General to bring before the EEC, if the time for an agency response has expired.

Adding information disclosed in monthly reports

Amended Section 20-85 (Monthly reports by Executive Inspector General) requires the OEIG to categorize and report monthly, categories of claims. "Category of claim" is defined as including "discrimination claims, harassment claims, sexual harassment claims, retaliation claims, gift ban claims, prohibited political activity claims, revolving door prohibition claims, and other, miscellaneous, or uncharacterized claims." The amendments also require the monthly report to include the number of allegations referred to another investigatory body and the cumulative numbers in each monthly report for the current calendar year. The OEIG has added the required information to its monthly reports.

Allowing the EIG discretion to disclose the status of the investigation to the complainant and subject

Amended Section 20-90 (Confidentiality) added the following language: "In his or her discretion, an Executive Inspector General may notify complainants and subjects of an investigation with an update on the status of the respective investigation, including when the investigation is opened and closed."

OEIG Initiated Legislation

This year continued the 100th General Assembly, and the OEIG renewed its efforts to obtain greater transparency and safety in Illinois by introducing several bills. The focus of these bills is to clarify ethics rules and processes, increase transparency, and protect public safety. Last year, the OEIG worked with legislators to introduce five different substantive bills, with companion bills filed in both houses. Those bills remained in the General Assembly this year, but did not become law. Below is a summary of those bills.

Senate Bill 643

Senator Heather Steans introduced Senate Bill 643 on January 25, 2017. 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 executive inspectors general need a mechanism 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, currently an Executive Inspector General cannot directly disclose information to an agency head while an investigation is pending.

On May 26, 2017, the full Senate voted on the bill, and it received full bipartisan support with 51 "yes" votes and zero "no" votes. Senate Bill 643 moved out of the Senate to the House. However, the bill did not pass out of the House and when the session ended on May 31, 2018, the Senate Bill 643 was re-referred to the Rules Committee.

Senate Bill 739/House Bill 2476

Senate Bill 739, introduced by State Senator Julie A. Morrison on January 30, 2017, and House Bill 2476, introduced by State Representative Majority Leader Barbara Flynn Curie on February 7, 2017, are the product of discussions between the OEIG and the EEC. These identical bills amend provisions of the Ethics Act to clarify the exchange of information during the revolving door determination process, clarify the confidentiality of OEIG investigatory files and reports, provide for ethics officer training, and update a section of the Procurement Code to reflect the new procurement officer structure.

Ensure Timely Exchange of Information During the Revolving Door Determination Process

In Illinois, the Ethics Act places restrictions on former State employees and officers regarding private sector employment immediately following State employment. Certain State employees and officers are required to notify the appropriate EIG of a non-State job offer so that the EIG can determine whether the State employee or officer may accept the employment without violating the Ethics Act's revolving door prohibition. The EIG's determination may be appealed by the State employee or by the Attorney General.

These bills proposed amendments to the Ethics Act to ensure the parties have timely access to information. For example, these bills:

- Require EIGs to explain in writing the factual and legal basis for their determination.
- Allow EIGs to provide investigatory files and reports that relate to the revolving door determination to the subject of a restricted determination.
- Require agency ethics officers to provide EIGs with information necessary to make an informed determination.
- Clarify that the timeframe for an EIG to make a determination begins when the EIG has received notification from the employee.

Clarify the Confidentiality of EIG Investigatory Files and Reports

EIG investigatory files and reports are generally prohibited from disclosure, with very limited exceptions to the prohibition. These bills clarify the current confidentiality provisions. These bills:

- Clarify that requests for documents of or by the Office of Executive Inspector General are confidential.
- Permit EIGs, as necessary, to disclose investigatory files and reports to the head of the agency affected by or involved in the investigation.
- Permit the ultimate jurisdictional authority or the agency head, for the purpose of determining and imposing discipline, to disclose EIG investigatory files and reports to certain agency staff and the employee accused of wrongdoing. This disclosure may only occur after an EIG issues a summary report of the investigation.

Require Training for Ethics Officers

Ethics officers provide ethics guidance to State employees, and employees can rely upon their guidance in good faith. These bills require ethics officers to complete training within 30 days of their appointment, and annually thereafter. The EEC would develop the training.

House Bill 2790/House Bill 3840

On February 8, 2017, Representative Fred Crespo introduced House Bill 2790 and on February 10, 2017, he introduced House Bill 3840. These identical bills amend provisions of the Ethics Act to clarify the confidentiality of executive inspectors general investigatory files, reports and requests for information. Specifically, these bills amend Section 50-90 and 20-95 of the Ethics Act to state that requests for information of or by the EIG are confidential and exempt from disclosure under FOIA, except in certain limited circumstances. These bills also allow EIGs, as necessary, to disclose investigatory files, reports, and requests for information to the head of the State agency affected by or involved in the investigation.

Senate Bill 644/House Bill 2791/House Bill 3841

Senator Steans introduced Senate Bill 644 on January 25, 2017. Representative Fred Crespo introduced House Bill 2791 on February 8, 2017, and he introduced House Bill 3841 on February 10, 2017. These identical bills amend provisions of the Ethics Act to provide a mechanism for executive inspectors general to release summary reports and responses. Specifically, the bills state in part:

If the Executive Ethics Commission does not make a summary report and response of the ultimate jurisdictional authority or agency head available to the public, the Executive Inspector General responsible for the investigation and report may make a summary report and response of the ultimate jurisdictional authority or agency head available to the public.

Under the current law, only the EEC may release summary reports and responses, and it is only required to do so if the investigation resulted in "a suspension of at least 3 days or termination of employment." 5 ILCS 430/20-52. Thus, these bills work to ensure transparency by allowing the EIG to release a summary report and response to an investigation.

Senate Bill 645/House Bill 2789/House Bill 3843

Senator Steans introduced Senate Bill 645 on January 25, 2017. Representative Crespo introduced House Bill 2789 on February 8, 2017 and House Bill 3843 on February 10, 2017. These identical bills amend provisions of the Ethics Act to provide a process for officers and employees to object to a request for information by an executive inspector general. These bills also provide a process for an executive inspector general to compel the production of information he/she requested from an officer or employee. Specifically, these bills add to Section 20-70 of the Ethics Act the following language:

(b) If an officer or employee objects to a request for information by an Executive Inspector General based on any applicable rights or protections under State or federal law, the officer or employee may seek resolution of the objection by the Executive Ethics Commission. If an officer or employee refuses or fails to provide information requested by an Executive Inspector General, the Executive Inspector General may notify the Executive Ethics Commission and seek an order compelling the officer or employee to produce the information requested by the Executive Inspector General.

These bills are necessary to implement a process for EIGs to compel documents that may be improperly withheld. These bills provide for an impartial third party, the EEC, to review the issue, and if warranted, compel production of the requested information. Further, these bills codify the protections employees and officers are afforded in the Illinois Administrative Code.

100th General Assembly

At the time this Annual Report was published, the bills the OEIG worked to introduce were not passed by the General Assembly.



Appendices

55	Leadership
58	Number of Complaints Received
61	Allegations Received by Type of Misconduct
62	Number of Founded Reports by Agency
63	
64	Online References



Margaret A. Hickey

Executive Inspector General (through March 2018)

Ms. Hickey was the Executive Inspector General for the Agencies of the Illinois Governor until her resignation in March 2018. She was nominated by Governor Bruce Rauner in 2015 and confirmed by the Illinois Senate without dissent in 2016. Before coming to the OEIG, she served the U.S. Attorney's Office for the Northern District of Illinois for over 10 years. From 2010-2015, she was the Executive Assistant U.S. Attorney, overseeing a staff of approximately 300 employees. Prior to her supervisory role, Ms. Hickey served as an Assistant U.S. Attorney in the Criminal Division, Financial Crimes and Special Prosecution Section, where she investigated and prosecuted a wide array of white collar crimes, including health care fraud, mortgage fraud, and bankruptcy fraud. She has tried multiple cases to verdict, and also briefed and argued many appeals before the U.S. Court of Appeals.

Previously, Ms. Hickey served as chief of staff to U.S. Senator Peter Fitzgerald. She began her career with the United States Senate, serving as the investigative counsel for the Committee on Government Affairs. Prior to her service with the United States Senate, she was an Assistant U.S. Attorney in the Criminal Division for the Southern District of West Virginia. She began her legal career as an associate with a law firm in Los Angeles, California, now known as Reed Smith. She currently serves on the board of the Constitutional Rights Foundation, Chicago.

Susan M. Haling

Acting Executive Inspector General (since March 2018)

Ms. Haling joined the OEIG in December 2011 and in March 2018, was nominated to serve as Executive Inspector General. She 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.

Daniel Hurtado

General Counsel (through May 2018)

Mr. Hurtado was appointed Special Counsel in July 2012 and was subsequently appointed as General Counsel in March 2014. Prior to joining the OEIG, he was a litigator with a large law firm for 17 years and served as in-house counsel for a media company for over two years. Mr. Hurtado has served as the President of the Hispanic Lawyers Association of Illinois, the Chair of the Chicago Lawyers Committee for Civil Rights, and as a member of the Legal Assistance Foundation Board of Directors and the Chicago Legal Clinic Board of Directors. He has been honored with the Chicago Bar Association Vanguard Award, the Public Interest Law Initiative Distinguished Alumnus Award, and MALDEF's Excellence in Legal Service Award. Mr. Hurtado received a BA from the University of Michigan and holds an MA and JD from Northwestern University, where he was an editor of the Journal of Criminal Law and Criminology and the President of the Hispanic Law Students Association.

Neil Olson

General Counsel (since May 2018)

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 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 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.

Thomas Klein

Deputy Inspector General and Chief of Springfield Division

Mr. Klein joined the OEIG in February 2015 as Deputy Inspector General and Chief of the Springfield Division. Mr. Klein had previously served with the OEIG from 2010-2011 before

serving as General Counsel for the Illinois Capital Development Board. He previously spent over seven years with the Illinois Attorney General's Office and two years with a large law firm. Mr. Klein received a BA from Taylor University, an MA from Purdue University, and a JD from the University of Michigan Law School.

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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.

Claudia	Ortega
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Chief Administrative Officer

Ms. Ortega joined the OEIG in March 2014 and currently serves as Chief Administrative Officer. She manages the OEIG's finance, human resources, information technology, procurement, and other administrative functions. Previously, Ms. Ortega worked in a financial reporting role for a State university and for a global forensics investigative firm. She holds a MSA in accounting from Benedictine University and a BA in accounting from DePaul University and she is a Certified Fraud Examiner.

Number of Complaints Received	FY2018
Aging, Department on	16
Agriculture, Department of	12
Attorney General, Office of the	11
Auditor General	2
Black Hawk College	1
Board of Higher Education	2
Capital Development Board	1
Central Management Services, Department of	34
Chicago Read Mental Health Center	7
Chicago State University	28
Chicago Transit Authority	112
Children and Family Services, Department of	123
Children and Family Services Inspector General, Department of	3
City Colleges of Chicago	2
Civil Service Commission	1
Commerce and Economic Opportunity, Department of	4
Commerce Commission	2
Commission on Human Rights	4
Community College Board	2
Comptroller	5
Corrections, Department of	205
Deaf and Hard of Hearing Commission	2
Eastern Illinois University	2
Emergency Management Agency	2
Employment Security, Department of	49
Environmental Protection Agency	14
Financial and Professional Regulation, Department of	50
Gaming Board	15
General Assembly	4
Governor's Office and Government	17
Governor's State University	1
Guardianship and Advocacy Commission	5
Healthcare and Family Services, Child Support	35
Healthcare and Family Services, Department of	43
Healthcare and Family Services Inspector General, Department of	2
Historic Preservation Agency	1
Human Rights, Department of	19
Human Services, Department of	753
Human Services, Department of (Division of Mental Health)	38
Human Services Inspector General, Department of	6

Number of Complaints Received	FY2018
Illinois Army National Guard	1
Illinois Board of Examiners	1
Illinois Circuit Courts	1
Illinois State University	8
Illinois Student Assistance Commission	1
Innovation and Technology, Department of	23
Insurance, Department of	17
Judicial Inquiry Board	1
Juvenile Justice, Department of	35
Labor, Department of	3
Law Enforcement Training and Standards Board	5
Liquor Control Commission	3
Lottery	7
Math and Science Academy	5
Metra	33
Military Affairs, Department of	3
Moraine Valley Community College	1
Natural Resources, Department of	20
None Given	2
Non State Agency	320
Northeastern Illinois University	7
Northern Illinois University	12
Office of Executive Inspector General	17
Office of the State Fire Marshal	7
Other	17
Pace	35
Prisoner Review Board	2
Professional Regulation, Department of	1
Property Tax Appeal Board	2
Public Health, Department of	36
Racing Board	1
Regional Transportation Authority	7
Rehabilitation Services, Department of	1
Revenue, Department of	29
Secretary of State	31
Southern Illinois University	1
Southern Illinois University - Carbondale	29
Southern Illinois University - Edwardsville	10
Southern Illinois University School of Medicine	5
State Agency	1

Number of Complaints Received	FY2018
State Board of Education	7
State Board of Elections	5
State Board of Investments	1
State Employees Retirement System	5
State Police	27
State Police Merit Board	1
State Treasurer	2
State University Civil Service System	1
Toll Highway Authority	18
Transportation, Department of	170
Universities Retirement System	1
University of Illinois	34
Unknown	15
Various Agencies	1
Vendor	27
Veterans' Affairs, Department of	19
Western Illinois University	10
Workers' Compensation Commission	4
Total	2724

Allegations Received by Type of Misconduct	FY2018
Abuse	47
ADA	5
Breach of Confidentiality	18
Bribery	7
Conflict of Interest	79
Corruption	6
Customer Service	6
Discrimination	73
Document Falsification	9
Ex Parte Communications	1
Failure to Cooperate	1
Failure to Follow Department Policy	20
Fraud	69
Ghost Payrolling	1
Gift Ban Violation	5
Harassment	120
Hiring/Promotional Improprieties	143
Misappropriation/Misuse of Funds	31
Misconduct	767
Mismanagement	1304
Misuse of Property	74
None	14
OSHA	2
Other	225
Other Ethics Act	2
Patronage	5
Personnel	13
Prisoner Complaint	57
Procurement Improprieties	21
Prohibited Political Activity	23
Retaliation	126
Revolving Door Violation	10
Sexual Harassment	27
Theft	23
Time Abuse	164
Unethical Behavior/Practices	70
Violence in the Workplace	15
Waste	4
Wrongful Termination	23
Total Allegations	3610

Number of Founded Reports by Agency	FY2018
Agriculture, Department of	1
Aging, Department on	1
Capital Development Board	1
Central Management Services	1
Chicago Transit Authority	3
Commission on Human Rights	1
Corrections, Department of	1
Financial & Professional Regulation, Department of	1
Healthcare and Family Services, Department of	1
Human Rights, Department of	1
Human Services, Department of	4
Insurance, Department of	1
Math & Science Academy	1
State Board of Education	1
Transportation, Department of	3
University of Illinois	1
Veterans' Affairs, Department of	1
Total	24

Freedom of Information Act

Mission Statement

The OEIG is an independent state agency dedicated to ensuring accountability in state government. The OEIG receives and fairly investigates complaints of fraud, waste, abuse, misconduct, and violations of laws or policies, and recommends corrective action. In addition, the OEIG oversees ethics and sexual harassment training for employees and officials within its jurisdiction.

OEIG Offices

69 W. Washington 607 E. Adams Suite 3400 14th Floor

Chicago, IL 60602-9703 Springfield, IL 62701-1634

Number of OEIG employees

72 employees as of June 30, 2018

State Agency With Limited Oversight Role Over the OEIG

Illinois Executive Ethics Commission

OEIG FOIA Officer

Neil Olson General Counsel Office of Executive Inspector General for the Agencies of the Illinois Governor 607 E. Adams Street, 14th Floor Springfield, IL 62701-1634

Photocopy Costs For FOIA Requests

The OEIG provides the first 50 black-and-white copies at no charge: each additional page costs 15 cents.

Online Resources

State Officials and Employees Ethics Act (5 ILCS 430)

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

OEIG Monthly Reports

https://www2.illinois.gov/oeig/publications/Pages/monthly_reports.aspx

OEIG Revolving Door Decisions

https://www2.illinois.gov/oeig/RevolvingDoor/Pages/RevolvingDoorDecisions.aspx

Publicly Disclosed OEIG Founded Reports

https://www2.illinois.gov/oeig/investigations/Pages/PublishedOEIGCases.aspx

OEIG Investigations Policy and Procedures Manual

https://www2.illinois.gov/oeig/Documents/OEIG Investigation Policy Procedures
Manual 11 09 2012.pdf

Printed by authority of the State of Illinois 12/2018

In an effort to conserve resources and be green, the FY2018 Annual Report will be distributed electronically.

An online copy of this report in PDF format may be found at: https://www2.illinois.gov/oeig/publications/Pages/annual reports.aspx

Report Misconduct

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



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