



OFFICE OF INSPECTOR GENERAL

THIRD QUARTER REPORT

2012

Bryan Traubert
President Board of Commissioners

Alison R. Perona
Inspector General

Michael Kelly
General Superintendent & CEO

SUMMARIES OF INVESTIGATIONS, REVIEWS AND INITIATIVES

INVESTIGATIONS

The following cases were closed and reported in the third quarter:

Theft/Procedural Violations

As part of an ongoing investigation into the theft of fuel, the OIG attempted to obtain CPD vehicle records in order to associate dispensed fuel with specific employees and vehicles. The OIG found that the supervisor of one group of employees had violated CPD policy and had not prepared these records for over a year. Since the records should have contained the names of the employees assigned to the vehicles associated with the questionable fuel disbursements, the supervisor's failure to prepare and maintain these records impeded the investigation as the identities of the fuel thieves were unable to be ascertained.

The OIG recommended that Management take appropriate disciplinary action against the employee and review the current policies and procedures regarding the preparation and review of vehicle records.

Management's responses are pending.

Residency Violation

An OIG investigation determined that an employee, who was also a union steward, was residing in a nearby suburb, in violation of the Park District's residency requirement.

The OIG recommended that Management take appropriate disciplinary action.

The employee resigned.

Driver's License Verifications

- The OIG launched an initiative to verify the status of the driver's licenses of employees who are required to operate a motor vehicle as part of their job description. Eighty-nine (89) licenses were checked in the third quarter of this year; all were found to be valid.
- Based on requests for review from Management, the OIG searched records from the Illinois Secretary of State's Office and found that the licenses of four (additional) employees were suspended, revoked, or invalid. Management was notified and asked to take the appropriate action.
 - Management has terminated the employment of one employee.
 - Disciplinary proceedings against two employees are pending.
 - The fourth employee had finished his seasonal work at the time of the OIG's report to Management. Management has indicated that his personnel file has been marked "Do not rehire."

Validation of Job Requirements

Certain Park District employees are required to have current police powers in order to hold their positions. Based upon a report, the OIG checked the employment status of one of these employees and found that the employee had been relieved of his police powers by his home agency.

The OIG recommended that Management take appropriate action.

Management's response is pending.

INVESTIGATIONS—continued

Park Advisory Councils

The OIG investigated two separate cases involving Park Advisory Councils:

- The OIG received a complaint from a school partner that PAC members had trespassed on school property and caused minor damage on two occasions. While the OIG was able to substantiate the allegations, the evidence also demonstrated that the PAC's acts were, in part, due to misconceptions over the extent of the shared-use agreement.

The OIG recommended that Management meet with the PAC in order to review and redefine its roles and responsibilities, as well as to set limits regarding access to school property.

Management met with the PAC and reviewed its roles and responsibilities and discussed the parameters of the shared-use agreement.

- A Park Advisory Council (PAC) leveled allegations of time abuse and inappropriate and unprofessional conduct against an employee. The allegations of time abuse were disproved; the allegations stemmed, in part, from the fact that the park supervisor neglected to post temporary changes to the fieldhouse schedule. The OIG was not able to find any credible evidence to substantiate any of the other complaints. However, it was determined that the PAC was exceeding the authority granted by its charter and that some PAC members had harassed an employee. It was also established that the PAC had obtained a key to the park facility and used the key to open sections of the building to the public when the fieldhouse was closed and unmonitored.

The OIG recommended that Management meet with PAC members to review and redefine the PAC's role and to discuss the Facilities Users Code of Conduct. It was further recommended that Management consider developing a Code of Conduct specifically for Park Advisory Councils. The OIG also recommended that park supervisors be reminded to post scheduled changes in a timely manner. Lastly, it was recommended that the locks at the Park be changed to prevent unauthorized use.

Management has changed the locks at the park facility. Management's responses to the other recommendations are pending.

Unbecoming Conduct

A juvenile patron called the Hotline and reported that an employee had made derogatory comments to him. The employee was interviewed and admitted making the inappropriate comments.

The OIG recommended that Management take the appropriate disciplinary action.

The employee was terminated from his position.

3rd Quarter 2012 Investigations, Reviews and Initiatives

Note: The 2nd Quarter report covers the period from May 9 (the creation of the OIG) to June 30, 2012.

CASELOAD INFORMATION

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Cases Initiated	N/A	26	72	
Cases Concluded	N/A	8	64	
Cases Pending	N/A	18	26	

Cases Pending Over Six Months

CASE NUMBER	DATE OPENED	ISSUE	REASON FOR FAILURE TO CLOSE WITHIN SIX MONTHS
N/A	N/A	N/A	N/A

Affiliation of Contacting Party

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Employees	N/A	10	20	
Officers/Managers	N/A	1	1	
Agents/Contractors	N/A	5	1	
Other	N/A	10	50	

Nature of Allegation

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Misconduct	N/A	16	58	
Waste	N/A	0	0	
Abuse	N/A	1	2	
Other (Assists, Verifications, etc.)	N/A	9	12	

CASELOAD INFORMATION—continued

Method of Contact

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Telephone	N/A	7	14	
E-Mail	N/A	3	4	
Walk-in	N/A	13	9	
Other	N/A	3	45	

Information Sources

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Managers	N/A	3	2	
Employees	N/A	9	20	
Public/Patrons	N/A	5	14	
Law Enforcement	N/A	4	0	
OIG Initiative	N/A	2	35	
Anonymous	N/A	0	0	
Other	N/A	3	1	

Identity of Investigated Party

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Officers/Managers	N/A	2	6	
Agents/Contractors	N/A	2	1	
Employees	N/A	7	55	
Other (Processes)	N/A	15	10	

HOTLINE STATISTICS

Nature of Allegation

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Misconduct	N/A	10	16	
Waste	N/A	0	0	
Abuse	N/A	0	0	
Management Referrals	N/A	97	189	
Other	N/A	13	19	

Affiliation of Contacting Party

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Manager/Employee	N/A	7	18	
Patron	N/A	71	77	
Citizen	N/A	33	109	
Law Enforcement	N/A	1	0	
Other/Unknown	N/A	8	20	

OFFICE OF INSPECTOR GENERAL

ANNUAL REPORT

2012

SIGNIFICANT INVESTIGATIONS

Montrose Boat Harbor Storage Project

Pursuant to an external request, the OIG conducted a review of CPD's decision to increase the size of the boat storage facility at Montrose Harbor. The review focused on the central question of whether or not the changes to the Harbor were of such a magnitude that CPD was required to present the project to the Chicago Plan Commission.

The OIG's analysis found that CPD's lakefront projects can be classified in three categories: 1) routine tasks (tree-planting, underground utility work, etc.), 2) major projects (landfill, excavation, impoundment, mining, drilling, roadway building or construction)—which require presentation to the Plan Commission, and, 3) projects that fall outside the description of major projects but are more extensive than "routine" tasks.

Based on a review of statutory and case law, the OIG determined that it was reasonable for Management to classify this project as outside of the requirements of the Lakefront Protection Ordinance (LPO). However, in order to achieve greater transparency, the OIG recommended that Management evaluate future projects for opportunities to solicit public comment for projects determined to be outside of the scope of the LPO yet substantial enough to require public notice. It was further recommended that Management work with the City to update and clarify the provisions of the LPO.

Management has agreed with these recommendations and is working to develop and implement the new procedures, including the creation of a link on CPD's website for comment and discussion on these issues.

SIGNIFICANT INVESTIGATIONS

Review of Quarterly Minority (M/WBE) Compliance Filings

In order to ensure that the Park District is receiving and reviewing Quarterly Minority and Women Business Enterprises (M/WBE) Compliance Reports, the OIG selected a sample of ten current contracts which have been in place for at least six months. The language in each contract requires the contractor to file a report each quarter. Management provided the OIG with filings from seven contracts. The OIG reviewed the reports and determined that only one contractor had not filed reports in a timely manner. At the time of the review, Management was already engaged with the contractor to get the reports. The filings also showed that the contractors were reporting that they were close to or had exceeded the M/WBE requirements.

The OIG did not receive filings for three of the contracts. It was determined that the Park District had informally altered its policy on filing compliance reports for ongoing and as-needed contracts. Rather than following the contractual requirements, CPD instead was requiring these contractors to file only if their services were utilized during the quarter.

The OIG recommended that Management review and revise, if necessary, current monitoring procedures to ensure that Compliance reports are filed in a timely manner. It was further recommended that CPD review “boilerplate” language in ongoing and as-needed contracts to ensure that future contract language reflects current policy.

Management is utilizing a new software program to enhance its monitoring capabilities and is actively engaged in hiring another Compliance Officer. Management has also agreed to amend contract language, as appropriate.

SIGNIFICANT INVESTIGATIONS

Violations of the Facilities Users Code of Conduct

A complainant notified the OIG that persons associated with a youth sports partnership had violated provisions of the District's Facilities Users Code of Conduct. The OIG found evidence to substantiate allegations that the partners verbally assaulted staff members, misused the facility and equipment, willfully destroyed Park property, and tampered with Park District equipment.

The OIG recommended that Management perform an immediate review to determine if the privileges and partnership of the organization should be suspended (pursuant to the terms of the Code of Conduct).

Management's response is pending.

Grant Expenditures

During the course of an investigation, the OIG reviewed disbursements made under a grant for a park program and determined that money had been spent for a non-intended purpose. Per the terms of the grant, the money was to be exclusively used for scholarships for the program. Instead, \$3,780 was used to purchase sporting equipment for the program.

The OIG recommended that Management fully reimburse the grant fund and ensure that grant management has proper controls in place to ensure that funds are dispersed only for the intended purpose(s). Management has transferred the equipment expense to the appropriate fund and account, and has developed procedures to ensure that funds are only dispersed for scholarship purposes.

SIGNIFICANT INVESTIGATIONS

Felony Conviction of Employee

Park District Code provides that “an employee shall not commit a criminal offense, as evidenced by a conviction by a court of record, which offense would have a negative impact on the employee’s qualification to serve in the employee’s current job title.”

The OIG received a complaint that an employee was involved in misconduct at his work site. During the investigation, it was verified that the employee had been arrested for Felony Theft in 2000 and convicted in 2001. The criminal charges resulted when the employee, who was a fiduciary for a suburban youth sports program, embezzled league funds.

The employee had been hired in 1997. There was no record that the employee had notified the Park District of his conviction.

The OIG recommended that Management take appropriate disciplinary action.

Management’s response is pending.

Theft of Equipment

Three new snowplows (total value \$12,600) were stolen from a Park District storage facility. There were no witnesses to the theft; no security cameras were in use. The crime was reported to the Chicago Police Department; no arrests have been made.

The OIG made recommendations to Management to upgrade security at its storage facilities. Management has already implemented one recommendation and is working on other security enhancements.

SIGNIFICANT INVESTIGATIONS

Residency Violation

The OIG received an anonymous complaint advising that a new employee had a criminal background. A criminal background check proved negative. During the course of the investigation, the OIG developed information that the employee lived outside of the City, in violation of Park District Code. Numerous surveillances established that the employee was living in the suburbs and not at the address he had provided to the Park District.

The OIG reported the matter to Management. The employee was discharged.

Non-Permitted Commercial Use of Park Land

A Hotline caller reported that a private sports league was operating almost exclusively on Park District Property and charging fees to participants. The OIG verified that the league had obtained occasional permits for some of its activities—paying for only 26 of an estimated 495 hours of use.

The OIG recommended that Management take measures to ensure that the league did not operate on Park land without written authority and review the possibility of charging the league for past use. It was further recommended that Management review its policies, procedures and controls relative to businesses or clubs that operate exclusively or primarily on District property.

Management's responses are pending.

SIGNIFICANT INVESTIGATIONS

Notifications to Subcontractors of Contract Termination

The OIG received a complaint from a minority subcontractor that the company had been underutilized as per the terms of the contract. Since the Park District had terminated the contract prior to its expiration, the OIG was unable to conclude that the subcontractor was underutilized.

However, the OIG noted that the subcontractor had not received notice from CPD of the early termination of the contract. In order to achieve greater operational transparency, the OIG recommended that Management post contract termination notices on the District website and establish a system to notify subcontractors in the event of an early termination.

In response, Management has established procedures to notify subcontractors of the early termination of a contraction and will be uploading the termination letter to the Park District's website.

CASELOAD STATISTICS

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Cases Initiated	N/A	26	72	35
Cases Concluded	N/A	8	64	43
Cases Pending	N/A	18	26	18

*The reporting period for the Second Quarter began on May 9, 2012.

CASELOAD STATISTICS

INFORMATION SOURCES

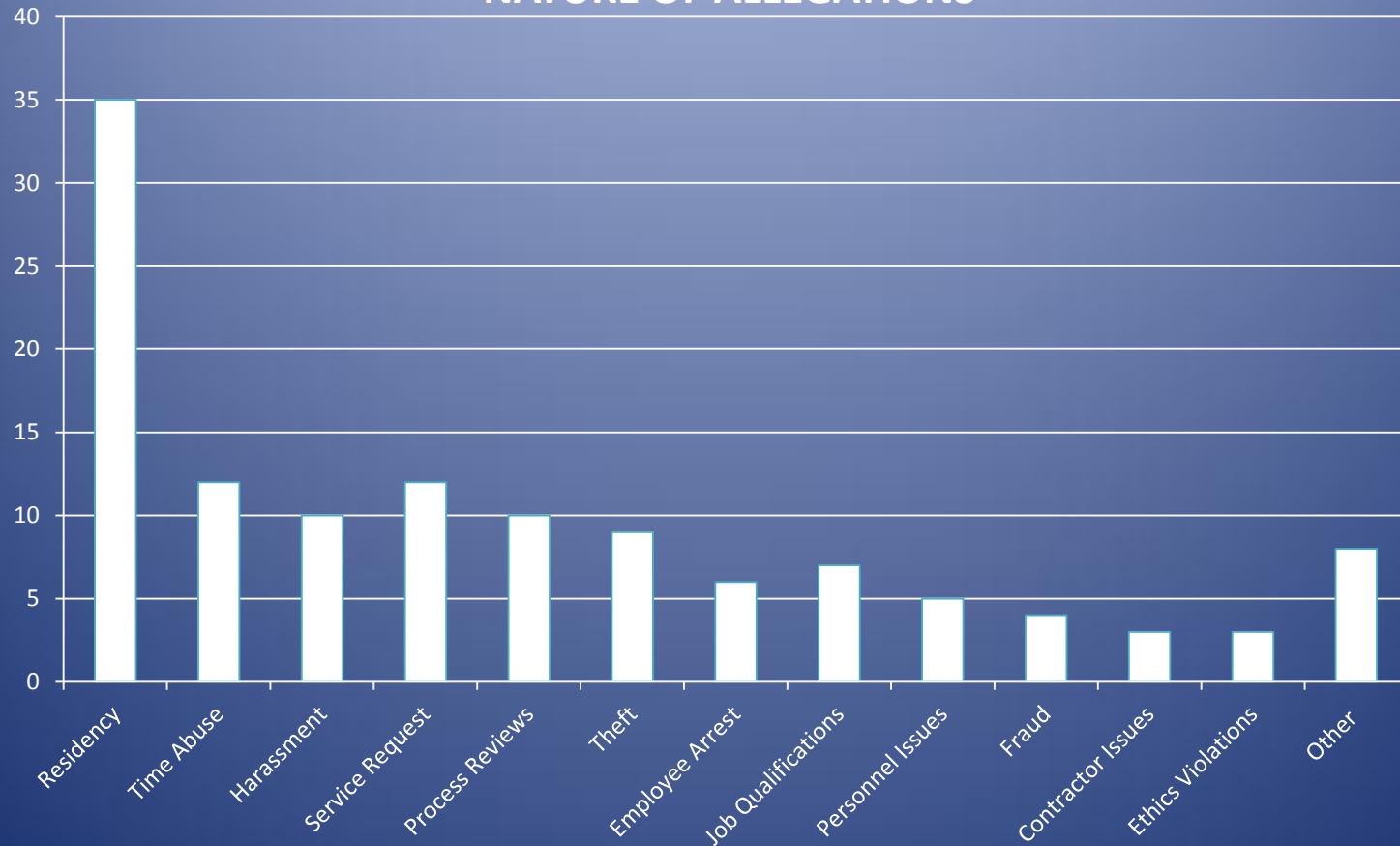
	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Managers	N/A	3	2	16
Employees	N/A	9	20	3
Public/Patrons	N/A	5	14	6
Law Enforcement	N/A	4	0	0
OIG Initiative	N/A	2	35	10
Anonymous	N/A	0	0	0
Other	N/A	3	1	0

IDENTITY OF INVESTIGATED PARTY

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Officers/Managers	N/A	2	6	2
Agents/Contractors	N/A	2	1	1
Employees	N/A	7	55	22
Other (Processes)	N/A	15	10	10

2012 CASE DATA

NATURE OF ALLEGATIONS



2012 HOTLINE STATISTICS

NATURE OF ALLEGATION

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Misconduct	N/A	10	16	11
Waste	N/A	0	0	0
Abuse	N/A	0	0	0
Management Referrals	N/A	97	189	88
Other	N/A	13	19	9

*The reporting period for the Second Quarter began on May 9, 2012.

2012 HOTLINE STATISTICS

AFFILIATION OF CONTACTING PARTY

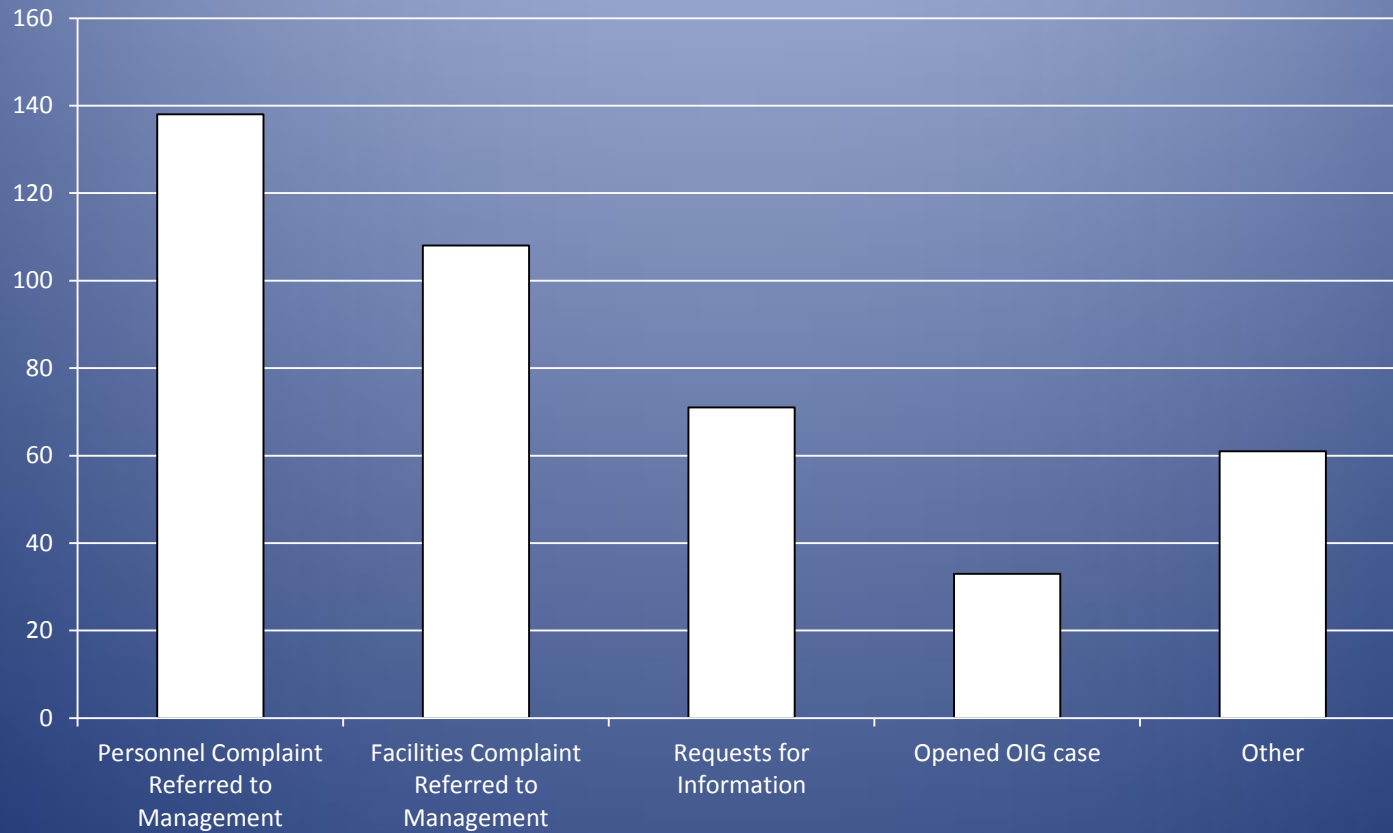
	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Manager or Employee	N/A	7	18	12
Patron	N/A	71	77	89
Citizen	N/A	33	109	24
Law Enforcement	N/A	1	0	0
Other/Unknown	N/A	8	20	5

*The reporting period for the Second Quarter began on May 9, 2012.

2012 HOTLINE DATA

*May 9-December 31, 2012

HOTLINE CONTACTS--RESOLUTIONS



OUTREACH ACTIVITIES

- Developed OIG website, poster and brochure
- Met with District staff and introduced the role and mission of the OIG at group meetings: New Employee Orientation, Regional meetings, Ethics trainings, etc.
- Met with District staff and/or conducted inspections at 94 parks and work sites
- Upgraded Hotline to provide live call-taking during business hours

OIG CONTACT INFORMATION



INSPECTOR GENERAL HOTLINE

(312) 742-3333

Report misconduct at the CPD



OFFICE OF INSPECTOR GENERAL

ANNUAL REPORT 2012

Bryan Traubert
President, Board of Commissioners

Alison R. Perona
Inspector General

Michael Kelly
General Superintendent & CEO

YEAR IN REVIEW

Greetings:

In May 2012, the Board of Commissioners of the Chicago Park District created the Office of Inspector General (OIG) as a full-time program of investigations to provide increased accountability and oversight of the District's operations and to deter and identify fraud, waste, abuse, and misconduct. The OIG was thus established as a wholly independent office authorized to conduct investigations, reviews and inspections in accordance with professional standards that relate to the field of investigations in government environments.

The creation of the Office of Inspector General (OIG) coincided with the start of the busy summer season at the Chicago Park District (CPD). Due to a cyclical increase in staffing and a higher volume of activity in the parks, the OIG's initial efforts largely focused on reacting to complaints related to the seasonal activity. As summer activities drew to a close, the OIG was able to initiate proactive reviews in many of CPD's business units: Finance, Purchasing, Information Technology, Payroll, Programming and Human Resources. Management has been responsive to the OIG's recommendations and has disciplined employees, implemented new policies and procedures, and strengthened controls District-wide.

One of the primary goals of the OIG in 2012 was to educate employees and the public as to the mission and role of the Office. In order to ensure both accessibility and visibility, a webpage was created that contains an informational brochure, public filings, and a link for electronic complaint filing. The Hotline was upgraded to provide a live response to calls received during business hours. In addition, outreach activities—both group and one-on-one—were conducted at ninety-four work sites. Based on the number of contacts and the usefulness of information provided, it is evident that internal and external outreach efforts have been successful. In 2013, the OIG will continue its outreach efforts—with an emphasis on its role in making recommendations for operational enhancements in order to improve accountability and transparency. The OIG will also engage in efforts to develop an outreach program targeted to potential bidders and contractors.

It is projected that, in 2013, the OIG will see the same seasonal spike in misconduct allegations that it experienced in 2012. The OIG has developed a strategic plan to accommodate these complaints, while ensuring a continued year-round program of proactive reviews. These activities will assist the Park District to achieve greater efficiencies, increase accountability, and enhance transparency—thereby resulting in enhanced operational integrity.

Sincerely,

Alison R. Perona

MISSION STATEMENT

Pursuant to the Park District Code, the OIG is charged with:

- Identifying waste, misconduct and misuse of CPD resources;
- Receiving and registering complaints concerning CPD officers, employees, Board members, agents, contractors, vendors and volunteers;
- Ensuring efficiency and effectiveness in the administration of CPD programs;
- Instilling integrity in CPD operations by reviewing programs, policies, and procedures;
- Investigating conduct and performance either in response to a complaint or on its own initiative;
- Reviewing CPD policies and procedures;
- Promoting economy;
- Reporting misconduct to management for disciplinary action;
- Recommending policies and methods for the elimination of fraud, waste and abuse, and to improve overall management performance.

The OIG ordinance recognizes that District employees perform a vital role in ensuring the integrity of operations. To this end, employees, Board members, agents and contractors are required to report suspected fraud, mismanagement, waste of funds or resources, abuse of authority, conflicts of interest, ethical violations or other improper acts to the OIG. Those who have been found to have knowledge of such acts and who have failed to report them are subject to discipline, up to and including discharge.

In order to ensure that the work product of the OIG provides the greatest value to CPD and the public, the Code imposes a duty upon every employee, Board member, agent and contractor of the District to fully and expeditiously cooperate with the OIG.

Management is required to follow any reasonable recommendations proposed by the OIG, unless otherwise prohibited by law or by collective bargaining rights.

INVESTIGATIONS, REVIEWS AND INITIATIVES

MISCONDUCT—EMPLOYEES

Felony Conviction of Employee

The Park District Code provides that “an employee shall not commit a criminal offense, as evidenced by a conviction by a court of record, which offense would have a negative impact on the employee’s qualification to serve in the employee’s current job title.”

The OIG received a complaint that an employee was involved in misconduct at his work site. During the investigation, it was verified that the employee had been arrested for Felony Theft in 2000 and convicted in 2001. The criminal charges resulted when the employee, who was a fiduciary for a suburban youth sports program, embezzled league funds.

The employee had been hired in 1997. There is no record that the employee notified the Park District of his conviction.

The OIG recommended that Management take appropriate disciplinary action.

The employee was discharged.

Residency Violations

The Park District Code requires employees to live in the City of Chicago.

- One employee, who was a union steward, was found to be residing in a nearby suburb. The OIG recommended that Management take appropriate disciplinary action. The employee resigned.
- The OIG received an anonymous complaint advising that a new employee had a criminal background. A criminal background check proved negative. During the course of the investigation, the OIG developed information that the employee lived outside of the City. Numerous surveillances established that the employee was living in the suburbs and not at the address he had provided to the Park District.

The OIG reported the matter to Management. The employee was discharged.

Unbecoming Conduct

A juvenile patron called the Hotline and reported that an employee had made derogatory comments to him. The employee was interviewed and admitted making the inappropriate comments.

The OIG recommended that Management take the appropriate disciplinary action.

The employee was discharged.

MISCONDUCT—EMPLOYEES—continued

Time Abuse

Investigators conducted forty-two surveillances of a Park Supervisor during a three-month period and documented sixteen late arrivals and seventeen occasions where the employee failed to report for work. The employee did not submit requests to utilize benefit time for any of these occasions. When questioned, the employee admitted that he “was wrong” for not going to work. The employee’s supervisor was questioned regarding the late arrivals and absences. The supervisor indicated that he was not aware that the employee had an attendance problem.

The OIG recommended that Management discipline the employee and the employee’s supervisor.

The employee resigned. The supervisor received a five-day suspension.

Theft

The Park District utilizes the City of Chicago’s fueling facilities. In order to obtain fuel for District vehicles and machines at the fueling locations, an employee has to swipe a gas card that has been personally issued to the employee. As part of the OIG’s periodic review of all gasoline usage records, it was determined that some employees showed an abnormally high rate of usage during a recent five month period.

Employee A

Employee A denied using his card for the period in question, indicating that he had “misplaced” his card, but had recently found it. An analysis of equipment and other records disproved Employee A’s claim that he did not personally utilize his fuel card during this period. Total value of the stolen gasoline: \$1,642.20.

Based on these findings, the OIG recommended that Management discipline Employee A and seek restitution.

Management immediately placed Employee A on Emergency Suspension. Employee A subsequently resigned. Full restitution was obtained.

Employee B

Employee B claimed that he lent his fuel card to Employee A on several occasions— Employee A asked to borrow the card, stating that he left his card at home. The OIG was unable to obtain sufficient evidence to identify Employee B as the person who misappropriated the gasoline, but found evidence to prove another theft committed by Employee A.

Management implemented new policies and procedures to better safeguard fuel dispersal.

MISCONDUCT—EMPLOYEES—continued

Forgery

A loan company asked the Park District to verify the salary of an employee. The company provided CPD with a copy of a pay stub that had been submitted by the employee. It was noted that the amounts on the stub had been altered to show an extra \$20,000 in earnings over the employee's actual pay to date. The employee admitted that she had altered her pay stub on her home computer so that she could qualify for an auto loan.

The OIG recommended that Management take the appropriate disciplinary action.

The employee has resigned.

Driving on a Suspended License

The OIG established that an employee had been driving a Park District vehicle for eight months while his driver's license was suspended.

The OIG recommended that Management take disciplinary action against the employee.

The employee was discharged.

Theft and Procedural Violations

As part of an ongoing investigation into the theft of fuel, the OIG attempted to obtain CPD vehicle records in order to associate dispensed fuel with specific employees and vehicles. The OIG found that the supervisor of one group of employees had violated CPD policy and had not prepared these records for over a year. Since the records should have contained the names of the employees assigned to the vehicles associated with the questionable fuel disbursements, the supervisor's failure to prepare and maintain these records impeded the investigation as the identities of the fuel thieves were unable to be ascertained.

The OIG recommended that Management take appropriate disciplinary action against the employee and review the current policies and procedures regarding the preparation and review of vehicle records.

The employee served a three day suspension. Management has strengthened its controls over the processes.

MISCONDUCT—AGENTS, PARTNERS, PATRONS AND VOLUNTEERS

Non-Permitted Commercial Use of Park Land

A Hotline caller reported that a private sports league was operating almost exclusively on Park District Property and charging fees to participants. The OIG verified that the league had obtained occasional permits for some of its activities—paying for only 26 of an estimated 495 hours of use.

The OIG recommended that Management take measures to ensure that the league did not operate on Park land without written authority and review the possibility of charging the league for past use. It was further recommended that Management review its policies, procedures and controls relative to businesses or clubs that operate exclusively or primarily on District property.

Management's responses are pending.

Violations of the Facilities Users Code of Conduct

A complainant notified the OIG that persons associated with a youth sports partnership had violated provisions of the District's Facilities Users Code of Conduct. The OIG found evidence to substantiate allegations that the partners verbally assaulted staff members, misused the facility and equipment, willfully destroyed Park property, and tampered with Park District equipment.

The OIG recommended that Management perform an immediate review to determine if the privileges and partnership of the organization should be suspended (pursuant to the terms of the Code of Conduct).

Management has notified the partner that the partnership will not be renewed in 2013.

MISCONDUCT—AGENTS, PARTNERS PATRONS AND VOLUNTEERS—continued

Park Advisory Councils

The OIG investigated two separate cases involving Park Advisory Councils (PAC):

- The OIG received a complaint from a school partner that PAC members had trespassed on school property and caused minor damage on two occasions. While the OIG was able to substantiate the allegations, the evidence also demonstrated that the PAC's acts were, in part, due to misconceptions over the extent of the shared-use agreement.

The OIG recommended that Management meet with the PAC in order to review and redefine its roles and responsibilities, as well as to set limits regarding access to school property.

Management met with the PAC and reviewed its roles and responsibilities and discussed the parameters of the shared-use agreement.

- A PAC leveled allegations of time abuse and inappropriate and unprofessional conduct against an employee. The allegations of time abuse were disproved; the allegations stemmed, in part, from the fact that the park supervisor neglected to post temporary changes to the fieldhouse schedule. The OIG was not able to find any credible evidence to substantiate any of the other complaints. However, it was determined that the PAC was exceeding the authority granted by its charter and that some PAC members had harassed an employee. It was also established that the PAC had obtained a key to the park facility and used the key to open sections of the building to the public when the fieldhouse was closed and unmonitored.

The OIG recommended that Management meet with PAC members to review and redefine the PAC's role and to discuss the Facilities Users Code of Conduct. It was further recommended that Management consider developing a Code of Conduct specifically for Park Advisory Councils. The OIG also recommended that park supervisors be reminded to post scheduled changes in a timely manner. Lastly, it was recommended that the locks at the Park be changed to prevent unauthorized use.

Management has changed the locks at the park facility. Management has met with the PAC and with Park Supervisors. A PAC Code of Conduct is under development.

PROCESS REVIEWS

PURCHASING

Notifications to Subcontractors of Contract Termination

The OIG received a complaint from a minority subcontractor that the company had been underutilized as per the terms of the contract. Since the Park District had terminated the contract prior to its expiration, the OIG was unable to conclude that the subcontractor was underutilized.

However, the OIG noted that the subcontractor had not received notice from CPD of the early termination of the contract. In order to achieve greater operational transparency, the OIG recommended that Management post contract termination notices on the District website and establish a system to notify subcontractors in the event of an early termination.

In response, Management has established procedures to notify subcontractors of the early termination of a contract and will be uploading the termination letter to the Park District's website.

Review of Quarterly Minority (M/WBE) Compliance Filings

In order to ensure that the Park District is receiving and reviewing Quarterly Minority and Women Business Enterprises (M/WBE) Compliance Reports, the OIG selected a sample of ten current contracts which have been in place for at least six months.

The language in each contract requires the contractor to file a report each quarter. Management provided the OIG with filings from seven contracts. The OIG reviewed the reports and determined that only one contractor had not filed reports in a timely manner. At the time of the review, Management was already engaged with the contractor to get the reports. The filings also showed that the contractors were reporting that they were close to or had exceeded the M/WBE requirements.

The OIG did not receive filings for three of the contracts. It was determined that the Park District had informally altered its policy on filing compliance reports for ongoing and as-needed contracts. Rather than following the contractual requirements, CPD instead was requiring these contractors to file only if their services were utilized during the quarter.

The OIG recommended that Management review and revise, if necessary, current monitoring procedures to ensure that Compliance reports are filed in a timely manner. It was further recommended that CPD review "boilerplate" language in ongoing and as-needed contracts to ensure that future contract language reflects current policy.

Management is utilizing a new software program to enhance its monitoring capabilities and is actively engaged in hiring another Compliance Officer. Management has also agreed to amend contract language, as appropriate.

PROCESS REVIEWS—continued

FINANCE

Grant Expenditures

During the course of an investigation, the OIG reviewed disbursements made under a grant for a park program and determined that money had been spent for a non-intended purpose. Per the terms of the grant, the money was to be exclusively used for scholarships for the program. Instead, \$3,780 was used to purchase sporting equipment for the program.

The OIG recommended that Management fully reimburse the grant fund and ensure that grant management has proper controls in place to ensure that funds are dispersed only for the intended purposes.

Management has transferred the equipment expense to the appropriate fund and account and has developed procedures to ensure that the funds are only dispersed for scholarship purposes.

PAYROLL

Sick and Personal Day Accruals for Non-Union, Part-Time Employees

The past practice of the Park District had been to allow non-union, part-time employees to accrue and use sick and personal days, although a written policy on benefits for this category of employees did not exist. Between January 1, 2010 and May 18, 2012, these employees received \$25,002.69 in paid sick and personal day benefits. An analysis of records indicated that the District had a total of \$28,997.00 in accrued benefit liability for this group.

The OIG recommended that Management review all payments for sick and personal days for part-time, non-union employees in order to determine if the District should seek repayment from the employees and whether or not to eliminate the accrued benefits. The OIG further recommended that the District establish a policy pertaining to the accrual of benefit time for this category of employees and to notify the affected employees of this policy.

Management indicated that their review determined that the payments and the accruals were proper. Management has revised its policy and has stopped the practice of allowing non-union, part-time employees to accrue and use sick and personal days.

PROCESS REVIEWS—continued

PROGRAMMING

Code of Conduct for Park District Patrons

The Park District does not have a written Code of Conduct for adult patrons. As a result, there are no defined procedures for handling persons on District property whose behavior is disruptive or otherwise inappropriate (non-criminal). The matter came to the OIG's attention after both Management and a member of the public sought a review after a patron had been banned from a park.

The OIG recommended that Management develop a Code of Conduct for patrons (participants, spectators, guests, volunteers, advisory council members, etc.) and create procedures to enforce the Code of Conduct, including mechanisms to impose penalties for failure to abide by the Code.

In response to these recommendations, Management developed a Code of Conduct and established enforcement procedures.

Review of Partnership Proposal

In response to a request by a manager, the OIG examined documentation supplied in support of a partnership proposal. The OIG found that the Certificate of Liability Insurance had numerous inconsistencies on the face of the document. The OIG contacted the purported insurer to obtain independent verification of the coverage; the insurer failed to supply the requested verification. The partnership proposal also contained documentation pertaining to the not-for-profit affiliation of the organization (A partner's not-for-profit status or affiliation can entitle the partner to a reduction in fees.) The OIG discovered that the affiliate's 501(c)(3) status had been revoked by the Internal Revenue Service in 2011.

The OIG provided the results of the examination to Management and recommended that the District reject the statement of affiliate's not-for-profit status and to consider the application incomplete since the liability insurance coverage could not be verified.

Management has agreed with these recommendations and is working to develop and implement new procedures to prevent future occurrences.

PROCESS REVIEWS—continued

ADMINISTRATION/LAW

Montrose Boat Harbor Storage Project

Pursuant to an external request, the OIG conducted a review of CPD’s decision to increase the size of the boat storage facility at Montrose Harbor. The review focused on the central question of whether or not the changes to the Harbor were of such a magnitude that CPD was required to present the project to the Chicago Plan Commission.

The OIG’s analysis found that CPD’s lakefront projects can be classified in three categories: 1) routine tasks (tree-planting, underground utility work, etc.), 2) major projects (landfill, excavation, impoundment, mining, drilling, roadway building or construction)—which require presentation to the Plan Commission, and, 3) projects that fall outside the description of major projects but are more extensive than “routine “tasks.

Based on a review of statutory and case law, the OIG determined that it was reasonable for Management to classify this project as outside of the requirements of the Lakefront Protection Ordinance (LPO). However, in order to achieve greater transparency, the OIG recommended that Management evaluate future projects for opportunities to engage in public notice/solicit public comment for projects determined to be outside of the scope of the LPO. It was further recommended that Management work with the City to update and clarify the provisions of the LPO.

Management has agreed with these recommendations and is working to develop and implement the new procedures.

HUMAN RESOURCES

Validation of Job Requirements

Certain Park District employees are required to have current police powers in order to hold their positions. Based upon a report, the OIG checked the employment status of one of these employees and found that the employee had been relieved of his police powers by his home agency.

The OIG recommended that Management take appropriate action.

The employee has been discharged.

PROCESS REVIEWS—continued

HUMAN RESOURCES—continued

Driver's License Verifications

- The OIG launched an initiative to verify the status of the driver's licenses of employees who are required to operate a motor vehicle as part of their job description. Eighty-nine (89) licenses were checked in the third quarter of this year; all were found to be valid.
- Based on requests for review from Management, the OIG searched records from the Illinois Secretary of State's Office and found that the licenses of four (additional) employees were suspended, revoked, or invalid. Management was notified and asked to take the appropriate action.
 - Management discharged one employee.
 - One employee renewed his license and is now compliant.
 - The third employee signed an agreement that bans him from operating CPD vehicles until his driving privileges are restored.
 - The fourth employee had finished his seasonal work at the time of the OIG's report to Management. Management has indicated that his personnel file has been marked "Do Not Rehire."

INFORMATION TECHNOLOGY

Failure to Deactivate a Password/Unauthorized Computer Access

Management failed to deactivate an employee's computer password after termination of employment. The former employee returned to the work site on the next business day and accessed the District's system.

The OIG recommended that Management review and revise the procedures for notifying the Information Technology Department when employees are terminated or leave employment. It was further recommended that Management remind supervisors of the procedures associated with the termination process.

Management has established new written procedures for inter-Department notifications at the end of employment and has developed a distribution plan to ensure that all supervisors are informed of the procedures.

PROCESS REVIEWS—continued

OPERATIONS

Policies and Procedures Related to the Assignment and Use of Fuel Cards

The Park District did not have its own written policies and procedures pertaining to the assignment and use of fuel cards. No District policy prohibited an employee from lending his/her fuel card to another.

The OIG recommended that Management develop written policies and implement procedures related to the assignment and use of fuel cards. The OIG also recommended that the policies and procedures should be distributed to all current and future fuel card holders and that the District should ensure that it receives signed acknowledgements from each card holder. Such policies and procedures deter and prevent the unauthorized use of fuel cards and enable Management to hold employees accountable for the unauthorized use of their assigned cards.

Management developed new policies and procedures, which were approved by the Board of Commissioners in November 2012.

Theft of Equipment

Three new snowplows (total value \$12,600) were stolen from a Park District storage facility. There were no witnesses to the theft; no security cameras were in use. The crime was reported to the Chicago Police Department; no arrests have been made.

The OIG made recommendations to Management to upgrade security at its storage facilities. Management has already implemented one recommendation and is working on other security enhancements.

2012 INVESTIGATIONS, REVIEWS AND INITIATIVES

*Data based on cases received from May 9 to December 31, 2012.

Caseload Information

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Cases Initiated	N/A	26	72	35
Cases Concluded	N/A	8	64	42
Cases Pending	N/A	18	26	19

Affiliation of Contacting Party

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Employees	N/A	10	20	2
Officers/Managers	N/A	1	1	15
Agents/Contractors	N/A	5	1	0
Other	N/A	10	50	18

Cases Pending Over Six Months

CASE NUMBER	DATE OPENED	ISSUE	REASON FOR FAILURE TO CLOSE WITHIN SIX MONTHS
OIG12-044	5/24/12	Criminal Activity	Pending police investigation— activity not employment-related

Nature of Allegation

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Misconduct	N/A	16	58	24
Waste	N/A	0	0	2
Abuse	N/A	1	2	1
Other (Assists, Verifications, etc.)	N/A	9	12	8

CASELOAD INFORMATION—continued

Method of Contact

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Telephone	N/A	7	14	10
E-Mail	N/A	3	4	6
Walk-in	N/A	13	9	7
Other	N/A	3	45	12

Information Sources

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Managers	N/A	3	2	16
Employees	N/A	9	20	3
Public/Patrons	N/A	5	14	6
Law Enforcement	N/A	4	0	0
OIG Initiative	N/A	2	35	10
Anonymous	N/A	0	0	0
Other	N/A	3	1	0

Identity of Investigated Party

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Officers/Managers	N/A	2	6	2
Agents/Contractors	N/A	2	1	1
Employees	N/A	7	55	22
Other (Processes)	N/A	15	10	10

2012 HOTLINE STATISTICS

*Data based on cases received from May 9 to December 31, 2012.

Nature of Allegation

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Misconduct	N/A	10	16	11
Waste	N/A	0	0	0
Abuse	N/A	0	0	0
Management Referrals	N/A	97	189	88
Other	N/A	13	19	9

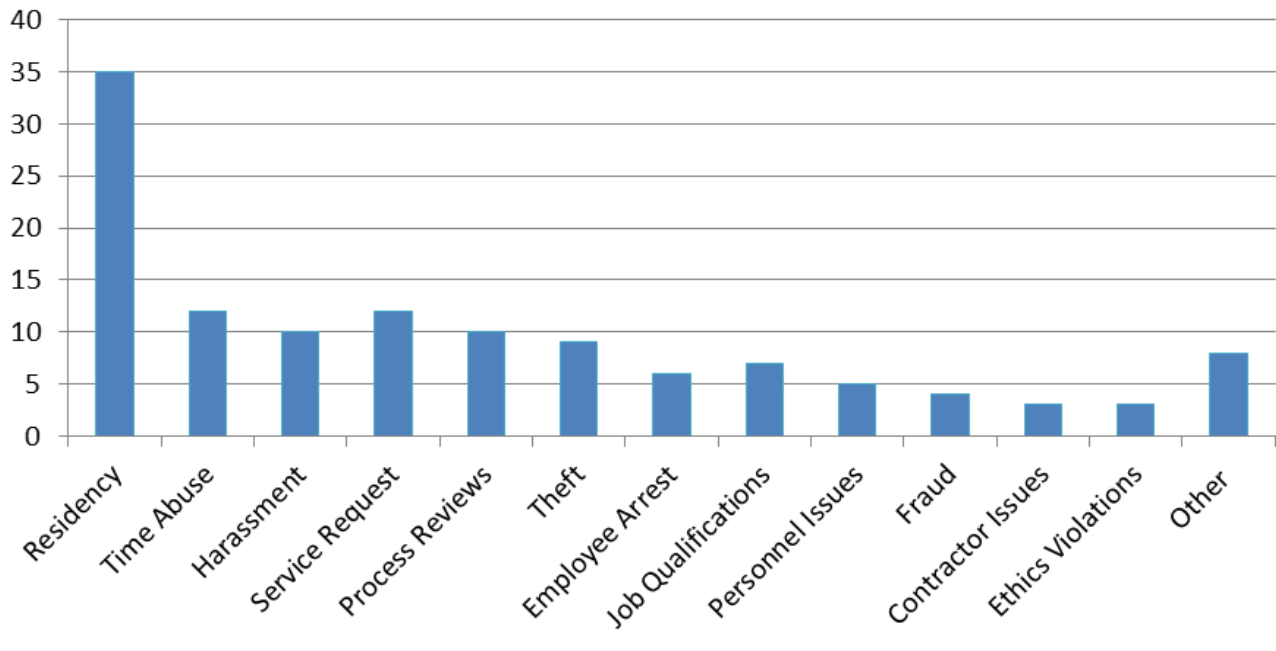
Affiliation of Contacting Party

	FIRST QUARTER	SECOND QUARTER*	THIRD QUARTER	FOURTH QUARTER
Manager/Employee	N/A	7	18	12
Patron	N/A	71	77	89
Citizen	N/A	33	109	24
Law Enforcement	N/A	1	0	0
Other/Unknown	N/A	8	20	5

CASELOAD INFORMATION

*Data based on cases received from May 9 to December 31, 2012.

NATURE OF ALLEGATIONS



ADMINISTRATIVE ACTIONS

May 9–December 31, 2012

Employee Discharges	6
Employee Suspensions	3
Employee Retirements/Resignations	4
Employee Reprimands/Warnings	8
Policy Development	8
Procedural Enhancements	10



OFFICE OF INSPECTOR GENERAL

FIRST QUARTER REPORT 2013

Bryan Traubert
President Board of Commissioners

Alison R. Perona
Inspector General

Michael Kelly
General Superintendent & CEO

SUMMARIES OF INVESTIGATIONS, REVIEWS AND INITIATIVES

INVESTIGATIONS

The following cases were closed and reported in the first quarter:

Artificial Turf Fields—Use and Rental

Chicago Park District (CPD) policy permits youth groups to use certain artificial turf fields without cost during certain periods. Standard fees apply for adults and for youths (individuals or groups) outside of these hours. An OIG investigation found that one park approved a partnership wherein a youth group was allowed to use the park's artificial turf field for additional hours free of charge, in violation of the rental rate policy. It was also determined that the leader of the partnership "sublet" his field time to other groups, both adult and youth—thereby depriving the Park District of revenue and potentially increasing the District's liability in the event of injury or other tortious activity.

The OIG recommended that Management review the current rental rate policy for artificial turf fields, establish controls to ensure that partnerships are in compliance with the policy, and establish a rule that prohibits partners and permit holders from giving or selling their use agreements to others.

Management's responses are pending.

Theft/Failure to Follow Procedures

Two patrons reported a possible theft after it was found that CPD's registration program did not reflect their enrollment. Both patrons indicated that, on the sign-up date, they paid their fees in cash to Employee A. Neither patron was given a receipt at the time of the transaction. When questioned by his supervisor, Employee A denied that he received any money from the patrons. However, four days after his denial, Employee A logged both transactions into ActiveNet.

The OIG interviewed a co-worker of Employee A who related that he witnessed the two patrons paying their fees in cash to Employee A. When interviewed by the OIG, Employee A stated that he recorded the transactions on the same date that he received the funds.

The OIG recommended that Management take the appropriate disciplinary action.

Management has instituted disciplinary proceedings against the employee.

Use of Alcohol on Duty

An anonymous complainant contacted the OIG Hotline and reported that a contractor's employee had consumed alcohol at a work site while on duty. The vendor's employee admitted the violation.

The OIG recommended that Management ensure that the contractor take appropriate disciplinary action against the employee and that the vendor has appropriate controls in place to prevent future incidents.

The contractor suspended the employee and placed him on a "Last Chance" agreement, which includes counseling and random alcohol and drug testing.

INVESTIGATIONS—continued

Residency Violations

Park District Code requires that all employees reside on a full-time basis within the City of Chicago. During a recent routine check, the OIG discovered evidence that three employees were living in the suburbs.

The OIG recommended that Management take appropriate disciplinary action against each of these employees.

Management has instituted disciplinary proceedings against the employees.

Time Abuse

The OIG conducted a series of surveillances to confirm the residency of a Park Supervisor. While the OIG was able to confirm that the Supervisor lived in the City, it was noted that on seven occasions the Supervisor's sign-in times preceded either her departure from home and/or her arrival at her work site.

The OIG recommended that Management take the appropriate disciplinary action.

Management has instituted disciplinary proceedings against the employee.

1st Quarter 2013 Investigations, Reviews and Initiatives

Caseload Information

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Cases Initiated	48	----	----	----
Cases Concluded	45	----	----	----
Cases Pending (includes carry-over from	23	----	----	----

Nature of Allegation

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Misconduct	25	----	----	----
Waste	0	----	----	----
Abuse	11	----	----	----
Other (assists, verifications, etc.)	12	----	----	----

Method of Contact

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Telephone	13	----	----	----
E-Mail	7	----	----	----
Walk-in	11	----	----	----
Other	17	----	----	----

INVESTIGATIONS, REVIEWS AND INITIATIVES—continued

Information Sources

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Managers	16	----	----	----
Employees	2	----	----	----
Public/Patrons	10	----	----	----
Law Enforcement	1	----	----	----
OIG Initiative	17	----	----	----
Contractors	1	----	----	----
Other	0	----	----	----

Identity of Investigated Party

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Officers/Managers	1	----	----	----
Agents/Contractors	3	----	----	----
Employees	40	----	----	----
Other (processes)	4	----	----	----

Cases Pending Over Six Months

CASE NUMBER	DATE OPENED	ISSUE	REASON FOR FAILURE TO CLOSE WITHIN SIX MONTHS
OIG12-044	5/24/12	Arrest of Employee (not work-related)	OIG monitoring status of criminal case
OIG12-103	7/19/12	Misconduct	Ongoing investigation
OIG12-109	8/7/12	Arrest of Employee (not work-related)	OIG monitoring status of criminal case
OIG12-117	8/16/12	Misconduct	Ongoing investigation
OIG12-119	8/23/12	Arrest of Employee	OIG monitoring status of criminal case

HOTLINE STATISTICS

Nature of Allegation

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Misconduct	7	----	----	----
Waste	0	----	----	----
Abuse	1	----	----	----
Management Referrals	62	----	----	----
Other	16	----	----	----

Affiliation of Contacting Party

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Manager/Employee	6	----	----	----
Patron	45	----	----	----
Citizen	33	----	----	----
Law Enforcement	1	----	----	----
Other/Unknown	1	----	----	----