

# Office of the Inspector General City Colleges of Chicago

---

---

## Office of the Inspector General Bi-Annual Report January 1, 2017 – June 30, 2017

Prepared pursuant to Article II, Section 2.7.5 of the Board Bylaws

---

---

John A. Gasiorowski  
Inspector General

Office of the Inspector General  
City Colleges of Chicago  
740 North Sedgwick Street  
Suite 310

Chicago, Illinois 60654

Phone: (312) 553-3400

Fax: (312) 553-3418

Hotline: (312) 553-3399

E-Mail: [InspectorGeneral@ccc.edu](mailto:InspectorGeneral@ccc.edu)

Web: <http://ccc.edu/departments/Pages/Inspector-General.aspx>



To: Juan Salgado, Chancellor  
Dr. Charles R. Middleton, Chair of the Board of Trustees  
Gary E. Gardner, Vice-Chairperson of the Board of Trustees  
Clarisol Duque, Secretary of the Board of Trustees  
Rev. Dr. Darrell Griffin, Trustee  
Karen Kent, Trustee  
Marisela Lawson, Trustee  
Deborah H. Telman, Trustee  
Alexa Cruz, Student Trustee

From: John A. Gasiorowski, Inspector General

Date: August 15, 2017

RE: OIG *Bi-Annual Report* for the period of January 1, 2017 through June 30, 2017

This *Bi-Annual Report* is being provided to the Chancellor and the Board of Trustees of Community College District No. 508 pursuant to Article 2.7.5 of the Board Bylaws. This *Bi-Annual Report* covers the period of January 1, 2017 through June 30, 2017. Pursuant to Article 2.7.5, the *Bi-Annual Report* for the period of January 1st through June 30th is required no later than September 1st each year.

Article 2.7 et seq. of the Board Bylaws authorizes the Office of the Inspector General ("OIG") for the City Colleges of Chicago to conduct investigations regarding waste, fraud and misconduct by any officer, employee, or member of the Board; any contractor, subcontractor, consultant or agent providing or seeking to provide goods or services to the City Colleges of Chicago; and any program administered or funded by the District or Colleges.

The OIG would like to thank the Chancellor, the Board of Trustees and the administration of the City Colleges of Chicago for their cooperation and support.

## Office of the Inspector General Bi-Annual Report

### Mission of the Office of the Inspector General

The Office of the Inspector General (“OIG”) of the City Colleges of Chicago (“CCC”) will help fuel CCC’s drive towards increased student success by promoting economy, efficiency, effectiveness and integrity in the administration of the programs and operations of CCC by conducting fair, independent, accurate, and thorough investigations into allegations of waste, fraud and misconduct, as well as by reviewing CCC programs and operations and recommending policies and methods for the elimination of inefficiencies and waste and for the prevention of misconduct.

The OIG should be considered a success when students, faculty, staff, administrators and the public:

- perceive the OIG as a place where they can submit their complaints / concerns in a confidential and independent setting;
- trust that a fair, independent, accurate, and thorough investigation will be conducted and that the findings and recommendations made by the OIG are objective and consistent; and
- expect that the OIG’s findings will be carefully considered by CCC administration and that the OIG’s recommendations will be implemented when objectively appropriate.

### New Developments

#### Staffing

During most of Fiscal Year 2017, the OIG was staffed at seven of nine budgeted positions. Effective May 22, 2017, the OIG hired an Investigator II-Auditor to fill one of the two vacant positions. This position had been vacant since July 2015. While this hire resulted in an increase to eight staff members, the OIG is budgeted for seven positions for Fiscal Year 2018. These positions currently consist of the Inspector General, the Assistant Inspector General, a Supervising Investigator and four investigators.

### Updates to Investigations Documented in Previous Bi-Annual Reports

#### Criminal Convictions in OIG Case Number 15-0098 (Employees D and E)

On February 23, 2017, a former CCC college clerical assistant II assigned to a City College (“Employee D”) pled guilty to the offenses of theft (a Class 1 Felony) and official misconduct (a Class 3 Felony) in the Circuit Court of Cook County.

She was sentenced to serve a two-year term of TASC probation and ordered to perform community service. The case was docketed under criminal case number 16CR1120301.

On March 30, 2017, a co-defendant and a former CCC college storekeeper also assigned to the same City College (“Employee E”) pled guilty to the offense of theft (a Class 1 Felony) in the Circuit Court of Cook County. He was sentenced to serve a two-year term of TASC probation. The case was docketed under criminal case number 16CR1120302.

As reported in in the Bi-Annual Report for the period of January 1, 2015 to December 31, 2015, during the course of the investigation into numerous textbook thefts at a City College by three CCC employees, the OIG became aware of suspicious activities regarding textbooks by Employee D and Employee E, who were assigned to a different City College.

The OIG investigation revealed that Employee D, in conjunction with Employee E, engaged in countless instances of wrongdoing regarding her textbook selling activities. Primarily, but not exclusively, Employee D and Employee E fraudulently obtained the textbooks by placing orders for desk copies from a publisher. Oftentimes when doing so, the duo utilized others’ accounts with the publisher, usually by misrepresenting themselves to be former CCC employees. Employee E, using the access that his CCC position gave him, then provided these textbook deliveries to Employee D, who sold these textbooks on behalf of herself and Employee E. Usually Employee D sold these textbooks to a book store located in the Loop, but she also sold textbooks to an online book store and to book buyers who visited the City College. At the Loop book store alone, these activities resulted in at least \$15,088.00 of sales of textbooks, which had a total retail value of more than \$66,000.00. In addition to the textbooks that Employee D and Employee E ordered, Employee E provided Employee D with textbooks from deliveries that were intended for other recipients at the City College.

In June 2015, the OIG submitted the results of the investigation to the Cook County State’s Attorney’s Office. In June 2016, the employees were charged with multiple counts of theft and official misconduct.

Prior to the date that the OIG submitted its findings regarding the investigation but after both employees were interviewed by the OIG, both employees resigned from their positions with CCC, and both employees were subsequently designated ineligible to be re-hired.

Updates regarding disciplinary recommendations made during the July 1, 2016 to December 31, 2016 reporting period

In the *Bi-Annual Report* submitted for the July 1, 2016 to December 31, 2016 reporting period, the OIG summarized thirteen reports documenting

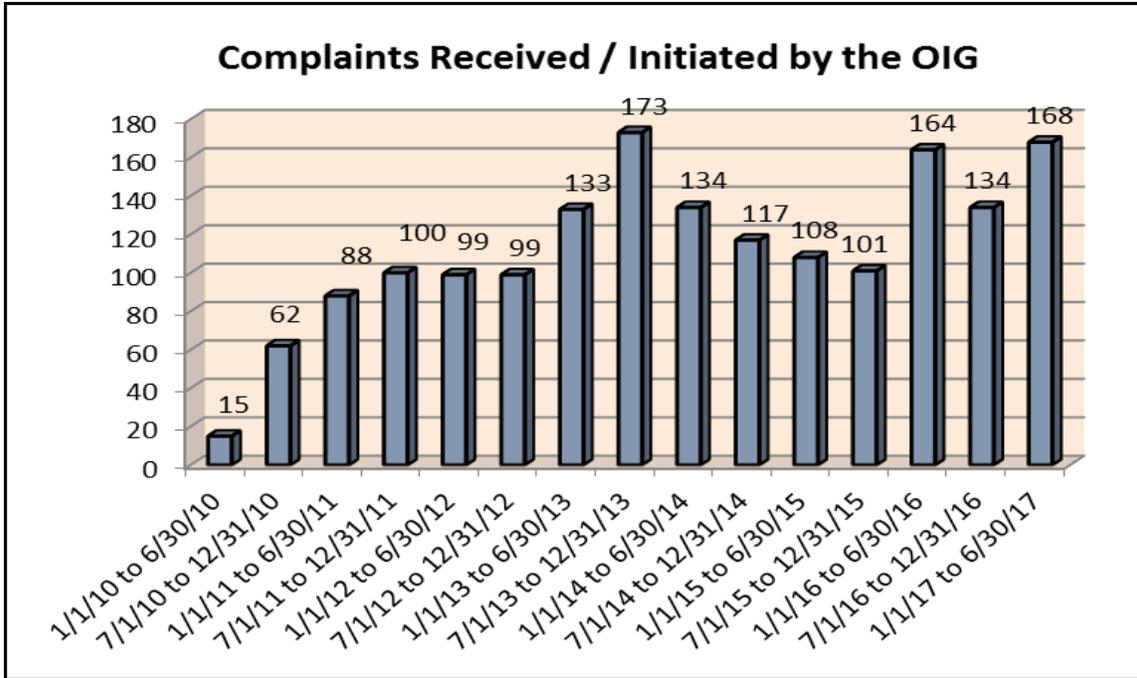
investigations which resulted in sustained findings of waste, fraud and misconduct, resulting in thirteen recommendations of disciplinary action. At the time the *Bi-Annual Report* was submitted, disciplinary action was pending regarding several of the investigations. The following table documents updates of disciplinary actions recommended by the OIG regarding the CCC employees as well as the actions taken by CCC.

<b>Disciplinary Action Updates from Investigations Reported On In Previous Bi-Annual Report (July 1, 2016 to December 31, 2016)</b>			
<b>OIG Case Number</b>	<b>Subject</b>	<b>Recommended Action</b>	<b>Action Taken</b>
15-0173	Director	Termination / DNRH	Resignation / DNRH
16-0178	Grants Compliance Officer	Appropriate Discipline	Written Reprimand
16-0249	Janitor	Termination / DNRH	
16-0163	Administrator	Termination / DNRH	Resignation / DNRH
16-0023	Dean	Termination / DNRH	
16-0232	College Advisor	Termination / DNRH	Resignation / DNRH
16-0150	Full-Time Faculty	Appropriate Discipline	Written Warning
16-0191	District Director	Termination / DNRH	Resignation / DNRH
16-0214	Lecturer	Termination / DNRH	
14-0205	Full-Time Faculty	Termination / DNRH	Resignation / DNRH
15-0221	Full-Time Faculty	DNRH (following resignation)	
17-0029	Full-Time Faculty	Appropriate Discipline	Verbal Warning
16-0136	Full-Time Faculty	Appropriate Discipline	No disciplinary action taken per hearing officer

### **Complaints Received**

For the period of January 1, 2017 through June 30, 2017, the OIG received 168 complaints. These 168 complaints included complaints forwarded to the OIG from outside sources as well as investigations (or audits/reviews) initiated based on the OIG’s own initiative.<sup>1</sup> For purposes of comparison, the following graph documents the complaints received by the OIG during the current and previous reporting periods.

<sup>1</sup> Under Article II, Section 2.7.2 of the Board Bylaws, the powers and duties of the OIG include: c) To investigate and audit the conduct and performance of the District’s officers, employees, members of the Board, agents, and contractors, and the District’s functions and programs, either in response to a complaint or on the Inspector General’s own initiative, in order to detect and prevent waste, fraud, and abuse within the programs and operations of the District....



The 168 complaints received represent a variety of subject matters. The following table documents the subject matters of the complaints received.

Complaints Received (January 1, 2017 through June 30, 2017)		
Subject Matter (Allegation)	Number	Percentage
Board Mandated Audit (Re-Certification of Residency)	1	0.60%
OIG initiated reviews	1	0.60%
Violation of the Acceptable Computer Use Policy	2	1.19%
Violation of the CCC Procurement Policy	3	1.79%
Engaging in conduct in violation of the Illinois Compiled Statutes	4	2.38%
Use of CCC property for unauthorized purposes	4	2.38%
Incompetence in the performance of the position	5	2.98%
Misappropriation of funds / Theft	5	2.98%
Giving preferential treatment	6	3.57%
Violation of Outside Employment Policy	6	3.57%
Violation of miscellaneous CCC policies	6	3.57%
Falsification of employment records or other records	7	4.17%
Discourteous treatment	8	4.76%
Conduct unbecoming a public employee	9	5.36%
Fraud (including financial aid or tuition)	12	7.14%
Violation of CCC Ethics Policy	14	8.33%
Residency	15	8.93%
Sexual or other harassment / Discrimination / Retaliation	15	8.93%
Inattention to duty	22	13.10%
Falsification of attendance records	23	13.69%
<b>Totals</b>	<b>168</b>	<b>100.00%</b>

## Status of Complaints

As reported in the previous *Bi-Annual Report*, as of December 31, 2016, the OIG had 95 complaints that were pending, meaning that the OIG was in the process of conducting investigations regarding these complaints. During the period of January 1, 2017 through June 30, 2017, the OIG closed 160 complaints. These complaints were closed for a variety of reasons, including the following: the complaint was sustained following an investigation and a report was submitted; a review was completed and recommendations were made; the complaint was not sustained following an investigation or no policy violation was identified or found; the complaint was referred to the appropriate CCC department; the subject of the complaint retired or resigned from CCC employment prior to or during the course of the investigation; the complaint was a duplicate of a complaint previously received; and the complaint was included with another active investigation. The following chart categorizes the reasons that the OIG closed the 160 complaints during the current reporting period.

<b>Complaints Closed Between January 1, 2017 and June 30, 2017</b>		
<b>Reason Closed</b>	<b>Number</b>	<b>Percentage</b>
Sustained	11	6.88%
Review with Recommendations	3	1.88%
Not Sustained / No Policy Violation	70	43.75%
Not Sustained with Recommendations	1	0.63%
Referred / Deferred	47	29.38%
Subject Inactive	12	7.50%
Duplicate Complaint	10	6.25%
Complaint included with another active investigation	4	2.50%
Board Mandated Audit	1	0.63%
Complaint Withdrawn	1	0.63%
<b>Total</b>	<b>160</b>	<b>100.00%</b>

Regarding the complaints closed during the period of January 1, 2017 to June 30, 2017, the table below documents the number of calendar days between the date that the complaint was received and the date that the complaint was closed as compared to the average number of calendar days between the date that complaints were received and the date that complaints were closed for the complaints closed during the previous reporting period (July 1, 2016 through December 31, 2016).<sup>2</sup>

<sup>2</sup> A complaint is considered closed only after the investigative activity of the investigator to whom the complaint was assigned has been reviewed and approved by a Supervising Investigator and the Inspector General. In situations where a complaint is sustained, the complaint is not considered closed until the Investigative Summary documenting the investigation is prepared and submitted pursuant to Article 2.7.3 of the Board Bylaws.

Average Days to Close				
Reason Closed	7/1/16 to 12/31/16		1/1/17 to 6/30/17	
	Number	Average Days to Close	Number	Average Days to Close
Sustained	14	309	11	272
Review with Recommendations	0	0	3	424
Not Sustained / No Policy Violation	67	207	70	246
Not Sustained with Recommendations	1	34	1	25
Referred / Deferred	34	1	47	1
Other	34	107	28	88
<b>Totals</b>	<b>150</b>		<b>160</b>	

As of June 30, 2017, the OIG had 103 pending complaints. Sixty-two of these 103 pending complaints (60%) were received between January 1, 2017 and June 30, 2017, and 24 of these 103 pending complaints (23%) were received between July 1, 2016 and December 31, 2016.

**OIG Reports Submitted – January 1, 2017 through June 30, 2017**

During the reporting period of January 1, 2017 through June 30, 2017, the OIG submitted fifteen reports documenting seventeen investigations.<sup>3</sup> These fifteen reports included: the annual OIG Audit of the District’s Compliance with the Residency Policy; ten reports documenting sustained findings of waste, fraud and/or misconduct; three reports documenting reviews; and one report documenting not sustained findings but in which the OIG made a recommendation.

**Annual Audit of District’s Compliance with the Residency Policy (OIG Case Number 17-0157)**

Under the heading *Annual Certification of Residency*, Article 4.6(a) of the Board Policies and Procedures for Management & Government, which sets forth the CCC Residency Policy, provides that on February 1<sup>st</sup> of each year every full-time CCC employee will be required to certify their compliance with the residency policy. The employee’s certification shall include an oath or affirmation that the employee is not required to be an actual resident because he/she falls within one of the exceptions to the requirement or that the employee is an actual resident of the City of Chicago. Additionally, Article 4.6(a) provides that “the Inspector General shall conduct an annual audit of the District’s compliance with this Policy and shall submit a report of audit findings to the Board no later than the first regularly scheduled public meeting of the Board following July 1<sup>st</sup> of each year.”

<sup>3</sup> Pursuant to Article 2.7.3 of the Board Bylaws, the Inspector General submits reports to the Chancellor, the Board Chairman, and the General Counsel at the conclusion of an investigation with recommendations for disciplinary or other action.

On May 15, 2017, the OIG submitted the 2017 Audit of Compliance with the District’s Residency Policy.

On February 1, 2017, all full-time employees of CCC were sent an e-mail regarding the need to certify their Chicago residency for 2017 by completing the online *Annual Certification of Residency* form. The e-mail was sent to 2,195 full-time employees.

On April 6, 2017, the Office of Human Resources provided the OIG with the results of all of the responses received. The great majority (2,154) of the 2,195 (98%) full-time employees responded to the Annual Certification Process. Of the 41 employees who did not respond, the OIG confirmed that 22 were on leaves of absence, 4 were on sabbatical leaves, 12 resigned or retired, and 1 was terminated. Therefore, all but 2 of the 2,156 full-time employees who were active and working during the 2017 certification of residency process responded. The table below documents the responses received District-Wide, as recorded by the Office of Human Resources and confirmed by the OIG.

<b>Response</b>	<b>Number</b>	<b>%</b>
No response	2	0.09%
No response due to employee being on a leave of absence	22	1.00%
No response due to employee being on a sabbatical	4	0.18%
No response due to resignation or retirement of the employee	12	0.55%
No Response due to termination of the employee	1	0.05%
1. Required to be a resident, with correct address	2095	95.44%
2. Not required to be a resident, with correct address	10	0.46%
3. Required to be a resident, with incorrect address	12	0.55%
4. Not required to be a resident, with incorrect address	1	0.05%
5. Required to be a resident, but does not currently live within the City of Chicago	36	1.64%
<b>Totals</b>	<b>2,195</b>	<b>100.00%</b>

As part of the audit of compliance with the District’s residency requirement, the OIG analyzed these full-time employee responses. The OIG analysis of these responses revealed the following:

- Regarding the 2,095 employees who responded that they were required to be residents and their addresses were correctly listed (See Response 1 above):
  - Six of these 2,095 employees had documented exceptions to the residency requirement filed with the Office of Human Resources, while five of these six employees had a City of Chicago address listed in the CCC PeopleSoft system.
  - During calendar year 2017, the OIG submitted Investigative Summaries documenting sustained findings of violations of the CCC Residency Policy regarding three of these 2,095 employees.

All three of these employees were terminated as a result of the OIG investigations.<sup>4</sup>

- Regarding the 11 employees who responded that they were not required to be a resident of the City of Chicago (See Responses 2 and 4 in the table above):
  - Ten of these employees fell within an exception to the CCC residency requirement.
    - Five of these 10 employees were hired before July 1, 1977.
    - Five of these 10 employees were exempt from the CCC residency requirement due to side letter agreements.
  - One of these employees responded that he did not currently reside within the City of Chicago, despite the fact that CCC records indicated a City of Chicago residential address for the employee. The OIG reviewed CCC personnel records and public records. This review revealed that this employee appeared to reside within the City of Chicago and no doubt checked the wrong box on the Annual Certification of Residency online form.
- Regarding the 36 employees who responded that they were required to be residents but did not currently reside within the City of Chicago (See Response 5 in the table above):
  - Nine of the employees were employed for less than six months or previously received approved extensions.
  - Twenty-seven of the employees responded that they did not currently reside within the City of Chicago, despite the fact that CCC records indicated a City of Chicago residential address for the employee.
    - The OIG reviewed CCC personnel records and public records. This review revealed that twenty-four of these employees appear to reside within the City of Chicago and no doubt checked the wrong box on the Annual Certification of Residency online form.
    - The OIG initiated investigations regarding three of these employees.
- Regarding the two employees who failed to respond but were active and working employees:
  - One of the two employees was denied tenure and was terminated effective May 14, 2017.

---

<sup>4</sup> These three investigations are subsequently discussed in this Bi-Annual Report under the entries for OIG Case Numbers 16-0061, 16-0110, and 17-0016. As documented in the two previously submitted Bi-Annual Reports, the OIG submitted ten Investigative Summaries documenting sustained residency policy-related investigations in calendar year 2016. As a result, two of the ten employees were terminated and eight of the ten employees resigned.

- Based on follow-up by the Office of Human Resources, the other employee submitted an Annual Certification of Residency form online on April 7, 2017.

## **Reports Submitted Documenting OIG Reviews**

### OIG Case Number 16-0185

An OIG review was initiated based on a complaint received regarding technical programs operated at a City College in conjunction with a third-party trade union (“third-party”). The programs allowed students participating in program courses to earn basic certificates, advanced certificates, and associate degrees. The complaint alleged that students who were precluded from enrolling in program classes by CCC due to debts owed to CCC were nonetheless allowed to attend program classes while off roster. The complaint further alleged that if the student later paid the debt owed, the City Colleges backdated the student’s enrollment and awarded the college credits.

In all, the OIG found that during the period of the Summer 2014 term through the Spring 2016 term, at least sixty students participated in the program while not officially enrolled with CCC. Twenty-five of these students were precluded from enrolling due to debts owed to CCC. The debt owed totaled at least \$13,000.00. The OIG identified students whose enrollment was subsequently backdated once the debt was paid. Other students were precluded from official enrollment due to being previously academically dismissed by CCC, while the reason for the preclusion of other students from being enrolled could not be identified.

The allowing of students who were precluded from enrollment with CCC to nonetheless participate in the program by taking classes at a CCC facility taught by third-party instructors indicated a lack of control over the program by the City College. The OIG review revealed even more significant issues with the program. The OIG’s findings regarding these other issues are as follows:

- The third-party unilaterally changed the curricula for the programs, resulting in curriculum in conflict with Illinois Community College Board submissions, CCC academic catalogs, and the agreements between the third-party and CCC.
- CCC made problematic submissions to the Illinois Community College Board regarding the programs. Specifically,
  - When establishing the associate in applied science in one of the program’s degrees, CCC sent conflicting documentation to the Illinois Community College Board regarding the number of credit hours needed to receive an associate in applied science degree.
  - When establishing the associate in applied science in one of the program’s degrees, CCC sent documentation to the Illinois Community

College Board representing that courses comprising the associate in applied science in one of the program's degrees meet for longer than was actually the case.

- The general education curriculum for one of the program's applied science degrees that is offered and is in CCC's academic catalogs differs from the general education curriculum that was sent to the Illinois Community College Board when establishing the associate in applied science degree.
  - When establishing the associate in applied science in one of the program's degrees, CCC sent conflicting documentation regarding the courses in the program's curricula.
  - When advanced certificates were carved out of the curricula for the corresponding associate degrees, a new course was added only to the advanced certificates' curricula, which resulted in a misalignment in the curricula.
  - CCC never sent the correct curriculum for the one of the program's basic certificates to the Illinois Community College Board for approval.
- The CCC Board of Trustees was never notified of the basic and advanced certificates in the programs when the certificates were created in 2013, contrary to CCC's proposed academic curriculum change processes.
- A course in the programs' curricula is labelled a general education course in CCC academic catalogs in regards to the programs' associates degrees, but it is labelled a required program core course in regards to the corresponding certificate programs, and it is treated as a required program core course in that it is taught by the third-party's instructors at no cost to students as part of the required, first-year curricula in the programs.
- The contact hours for program courses do not correspond to the credit hours awarded for the courses.
- There is great risk that CCC receives credit-hour reimbursement for program classes contrary to various Illinois Community College Board system rules, including for reasons such as that: a) the classes in each term of the program exceed the one credit hour per week limitation; b) the classes are taught by the third-party's instructors who are not instructed on midterm certification requirements; c) the midterm certifications for the classes are improperly completed; d) the classes are funded solely by the third-party's funds; and e) the students in the classes do not pay CCC tuition.
- There is great risk that the CCC may be wrongfully awarding college credit for program classes in violation of numerous Higher Learning Commission core criterion for accreditation and other Higher Learning Commission policies and assumed practices, including for reasons such as: a) curricula other than those in the academic catalog are presented to students in the programs; b) incorrect and incomplete information is posted to program students' academic

records; c) the third-party maintains more than 50% of the programs' educational program; and d) program courses are taught and graded by the third-party's instructors without instruction or oversight from the City College.

- There are various problematic financial-aid related issues regarding the program. Specifically,
  - Students in the programs received Title IV federal financial aid grants for their enrollment in program courses despite the fact that the programs are not eligible for Title IV funding.
  - CCC received Illinois grant money to pay tuition on behalf of students in the programs despite the fact that students in the programs do not pay CCC tuition.
  - Students in the program were issued refund checks after dropping out of program courses despite the fact that the students did not pay CCC any tuition for those courses.
  
- The City College has a number of enrollment and record-keeping issues in regards to the programs, including: a) students are credited on their academic records with taking courses other than those they actually take; b) vital course information is missing or incorrect in course records; c) entire courses are missing grades; and d) midterm certifications are left blank or omitted.
  
- While a meaningful portion of the OIG's findings in this investigation were attributable to District Office functions spanning more than a decade, the lack of direct and continuous control over the program and the numerous problematic enrollment and record-keeping issues were directly attributable to the City College's administration.

Based on the review, the OIG made the following recommendations:

1. The OIG recommended that CCC ceases involvement with the third-party until the programs can be offered through CCC in accordance with Higher Learning Commission, Illinois Community College Board, CCC, and all other applicable policies.
  
2. The OIG recommends that the Office of Strategy and Academic Governance reviews the submissions sent to the Illinois Community College Board regarding the programs, takes any necessary actions to rectify problems that may exist with those submissions, and changes the CCC academic catalogs accordingly.
  
3. The OIG recommends that the Student Financials Department reviews the scope and propriety of students' receipt of financial aid in the programs, and if necessary, takes appropriate steps to remedy any issues involved.

4. The OIG recommends that the Office of the General Counsel and the Office of Academic Governance, Compliance, and Educational Quality determine the propriety of the receipt of credit-hour reimbursement on behalf of program courses, and if it is determined that the past receipt of credit-hour reimbursement on behalf of program courses was inappropriate, CCC's liability should be determined and appropriate remedial actions should be taken.
5. The OIG recommends that the Office of Academic Governance, Compliance, and Educational Quality determines and implements the manner in which CCC academic records be amended to accurately reflect the instruction provided in the programs.

OIG Case Number 16-0207 and 16-0208

The OIG received a complaint followed by various specific allegations regarding the Nursing Program at a City College. As such, the OIG initiated a review of the Nursing Program. At the time of the review, the Nursing Program was winding down as it was to be consolidated with the Nursing Program at one of the other City Colleges.

The OIG focused its review on the Nursing Program's activities regarding the cohorts due to complete the various programs in December 2015 and May 2016 and on the various specific allegations made to the OIG regarding the Nursing Program.

Class rosters for the Nursing Program indicated the following number of students in each of the cohorts:

<b>Program</b>	<b>Anticipated Completion Date</b>	<b>Number of Students</b>
Practical Nursing	December 2015	53
Practical Nursing	May 2016	45
RN Completion	December 2015	32
RN Completion	May 2016	26
<b>Total</b>		<b>156</b>

The review included a detailed analysis of the student files of all 156 students in the Nursing Program, as well as CCC PeopleSoft records and the Assessment Technologies Institute ("ATI") exam results regarding the students. The review also included about twenty interviews of CCC employees and students.

The specific allegations made and the OIG's findings were as follows:

1. The OIG received an allegation indicating that there were no clinical records showing that Nursing Program students completed the required clinical site experience, specifically for the Practical Nursing Program students who were enrolled in Nursing 153, which was the Obstetrics/Pediatrics course.

Interviews revealed that typically it is not appropriate for a clinical course to be held at the college. Moreover, a letter from the Illinois Board of Nursing, dated November 6, 2015, issued a guideline indicating that if a nursing program designated more than 25% of clinical hours of a course to the use of simulation experiences, the program will submit certain documentation relevant to the course to the Illinois Board of Nursing. The OIG review revealed that several Nursing Program clinical courses were held at the City College's satellite campus where the Nursing Program was held and not at a clinical site. Moreover, the OIG confirmed that the Nursing Program did not submit to the Illinois Board of Nursing any of the required documentation regarding any of the 2015 and 2016 clinical courses that were held at the satellite campus and not at a clinical site, contrary to the Illinois Board of Nursing guidelines.

2. The OIG received an allegation indicating that some students in the Nursing Program had not previously earned a high school diploma or GED. The OIG obtained and reviewed copies of the Practical Nursing Student Handbooks dated 2014 and Spring 2015. The aforementioned handbooks both stated that either a high school diploma or a GED was part of the requirements for admission into the program.
  - a. The OIG review of the files of the Nursing Program students who were on track to complete the Practical Nursing Program in December 2015 and May 2016 as well as the students who were on track to complete the RN Completion Program in December 2015 and May 2016 revealed that almost all of the files did not provide any notations at all regarding the students' high school or GED status.
  - b. Additionally, the OIG reviewed the PeopleSoft records of the Nursing Program students who were on track to complete the Practical Nursing Program in December 2015 and May 2016 as well as the students who were on track to complete the RN Completion Program in December 2015 and May 2016. In PeopleSoft, the OIG found the following: 51 of the 53 (96.2%) students who were on track to complete the Practical Nursing Program in December 2015 obtained a high school diploma or GED prior to admission in the program; 42 of 45 (93.3%) students who were on track to complete the Practical Nursing Program in May 2016 obtained a high school diploma or GED prior to admission in the program; 31 of 32 (96.9%) students who were on track to complete the RN Completion Program in December 2015 obtained a high school diploma or GED prior to admission in the program; and 26 of 26 (100%) students who were on track to complete the RN Completion Program in May 2016 obtained a high school diploma or GED prior to admission in the program.
  
3. The OIG received an allegation indicating that some students who were admitted into the RN Completion Program did not possess a practical nursing license as required. The CCC Nursing Student Handbook, dated

2014-2015, stated the following regarding a requirement that applicants possess a practical nursing license: “Students who successfully completed the Practical Nursing (PN) program and have a current LPN license will be considered for admission into the Registered Nursing Completion program.”

- a. The OIG confirmed that the RN Completion Program students who were scheduled to complete the program in December 2015, began the program on March 9, 2015. Regarding the aforementioned students, the OIG found Illinois practical nursing license records for 31 of the 32 students. Those records revealed that the 31 students possessed an Illinois practical nursing license prior to their enrollment in the RN Completion Program.
  - b. The OIG confirmed that the RN Completion Program students who were scheduled to complete the program in May 2016, began the program on August 24, 2015. Regarding the aforementioned students, the OIG found Illinois practical nursing license records for 25 of the 26 students. Those records revealed that 23 of the 25 (92.0%) students possessed an Illinois practical nursing license prior to their enrollment in the RN Completion Program. Regarding the two students who did not possess an Illinois practical nursing license prior to enrollment in the program, the OIG found that both students were issued practical nursing licenses after starting the Nursing Program.
4. The OIG received an allegation indicating that Practical Nursing Program applicants took the ADN TEAS admission test instead of the PN TEAS admission test, and they failed the ADN TEAS admission test but were still admitted into the Practical Nursing Program. The strategic plan that CCC submitted to the Illinois Board of Nursing in 2014 indicated that admissions criteria for the Nursing Program included the requirement of a minimum overall score of 65% on the TEAS test and a minimum reading score of 73% on the TEAS test.
- a. The OIG obtained and reviewed the TEAS test results of the Practical Nursing Program students who were scheduled to complete the program in December 2015 and in May 2016. The OIG found that the aforementioned students took the TEAS V version of the test.
  - b. Regarding the Practical Nursing Program students who were scheduled to complete the program in December 2015, the OIG found that of the 52 out of the 53 students whose TEAS test results were obtained, 13 (25%) students earned an overall score of 65% or higher as well as a reading score of 73% or higher.
  - c. Regarding the Practical Nursing Program students who were scheduled to complete the program in May 2016, the OIG found that of the 38 out of 45 students whose TEAS test results were obtained, eight (21.1%) students earned an overall score of 65% or higher as well as a reading score of 73% or higher.

5. The OIG received an allegation indicating that students who graduated from the Practical Nursing Program did not complete all of the course requirements.
  - a. Regarding the students who were scheduled to complete the Practical Nursing Program in December 2015, the OIG found that out of the 53 students who were scheduled to complete the program in December 2015, 51 (96.2%) of the students either completed the required courses at CCC or completed the same or similar courses at another institution and received transfer credit for the courses.
    - i. Regarding one of the 53 students who had not completed all of the required courses, the OIG found that the aforementioned student completed all of the required courses, except that the student earned a grade of F in Nursing 155. The student's status in PeopleSoft was reflected as "discontinued."
    - ii. Regarding the second of the 53 students who had not completed all of the required courses, the OIG found that the student did not complete Biology 120. The student's status in PeopleSoft was listed as "active" in the Associate in Applied Science in Nursing Program.
  - b. Regarding the students who were scheduled to complete the Practical Nursing Program in May 2016, the OIG found that out of the 45 students who were scheduled to complete the program in May 2016, 44 (97.8%) of the students either completed the required courses at CCC or completed the same or similar courses at another institution and received transfer credit for the courses.
    - i. Regarding the one student who had not completed all of the required courses, the OIG found that the student completed all of the required courses except for Biology 227. The student's PeopleSoft course history report indicated that she is currently enrolled in Biology 227 for the Spring 2017 term. As of the date of the submission of the Investigative Summary, the student's PeopleSoft course history report indicated the student's status in the Practical Nursing Program as "active."
6. The OIG received an allegation indicating that students who graduated from the RN Completion Program did not complete Microbiology 233, a general education requirement for successful completion of the RN Completion Program. Regarding the RN Completion Program, students who were scheduled to complete the program in December 2015 and in Spring 2016, the OIG found that all of the aforementioned students completed Microbiology 233 either at CCC or at another institution and received transfer credit for the course.
7. The OIG received an allegation indicating that students who graduated from the Nursing Program did not complete the ATI Pharmacology Exam.

- a. The OIG obtained copies of the Nursing Program's Practical Nursing Student Handbook, dated 2014 and Spring 2015. Both of the aforementioned handbooks stated the following regarding the ATI Pharmacology Exam: "The ATI Pharmacology Exam will be given after the successful completion of Life Span II or Life Span III. Students must score at Level Two (2) or higher to pass the exam. A Pharmacology Certificate will be awarded to students that pass this exam."
  - i. Regarding the students who were scheduled to complete the Practical Nursing Program in December 2015, the OIG found that 51 of the 53 (96.2%) students completed the ATI Pharmacology Exam. The OIG reviewed the PeopleSoft course history reports of the two students who did not have records indicating that they completed the ATI Pharmacology Exam. A review of their course history reports revealed that they had not completed the Practical Nursing Program. Of the 51 students who completed the ATI Pharmacology Exam, 47 (92.2%) of those students passed the ATI Pharmacology Exam by earning a score of Level 2 or higher. The four (7.8%) students who did not pass the ATI Pharmacology Exam earned a score of Level 1.
  - ii. Regarding the students who were scheduled to complete the Practical Nursing Program in May 2016, the OIG found that all 45 (100%) of the students completed the ATI Pharmacology Exam. Of the 45 students who completed the Pharmacology exam, 33 (73.3%) of those students passed the ATI Pharmacology Exam by earning a score of Level 2 or higher. The 12 (26.7%) students who did not pass the ATI Pharmacology Exam earned a score of either Level 1 or Below Level 1.
- b. The CCC Nursing Student Handbook, dated 2014-2015, did not reveal any requirements regarding the ATI Pharmacology Exam for RN Completion students.
  - i. Regarding the students who were scheduled to complete the RN Completion Program in December 2015, the OIG found that all 32 (100%) of the students completed the ATI Pharmacology Exam. Of the 32 students who completed the Pharmacology exam, 19 (59.4%) of those students passed the ATI Pharmacology Exam by earning a score of Level 2. The 13 (40.6%) students who did not pass the ATI Pharmacology Exam earned a score of Level 1.
  - ii. Regarding the students who were scheduled to complete the RN Completion Program in May 2016, the OIG found that all 26 (100%) of the students completed the ATI Pharmacology Exam. Of the 26 students who completed the ATI Pharmacology Exam, 16 (61.5%) of those students passed the ATI

Pharmacology Exam by earning a score of Level 2. The 10 (38.5%) students who did not pass the ATI Pharmacology Exam earned a score of Level 1.

8. The OIG received an allegation indicating that students who graduated from the Nursing Program did not take the VATI NCLEX review exam.
  - a. The OIG obtained and reviewed copies of the Practical Nursing Student Handbooks dated 2014 and Spring 2015. The review of the aforementioned handbooks did not reveal any requirements regarding the VATI NCLEX review exam. The OIG review did not reveal any records indicating that students who were scheduled to complete the Practical Nursing Program in December 2015 and May 2016 completed VATI NCLEX review exams.
  - b. The OIG obtained and reviewed the CCC Nursing Student Handbook, dated 2014-2015. This handbook indicated that CCC registered nursing students who were scheduled to graduate in May 2016 were required to enroll in the Virtual ATI NCLEX-RN Review Program and must receive the “green light” or successful completion by the VATI Nursing Coach in order to successfully complete the CCC Nursing Program.
    - i. Regarding the RN Completion Program students who were scheduled to complete the program in December 2015, the OIG found that 29 of the 32 (90.6%) students completed the VATI review exam and earned the “green light” to take the NCLEX. The OIG reviewed the PeopleSoft course history reports of the three students who did not have records indicating that they completed the VATI NCLEX review exam. A review of their course history reports revealed the following: two of those three students completed the RN Completion Program, and one of those three students had not actually completed the RN Completion Program; rather, the student’s status in the program was listed as “discontinued.”
    - ii. Regarding the RN Completion Program students who were scheduled to complete the program in May 2016, the OIG found that 23 of the 26 (88.5%) students completed the VATI review exam and earned the “green light” to take the NCLEX. The OIG reviewed the PeopleSoft course history reports of the three students who did not have records indicating that they completed the VATI NCLEX review exam. A review of PeopleSoft records revealed that those three students completed the RN Completion Program.
9. The OIG received an allegation indicating that Nursing Program students were provided with undated letters to submit to Continental Testing, which allowed the students to apply to take the NCLEX exam whenever they wanted. The OIG review did not reveal that the Nursing Program provided

its nursing students with undated letters to send to Continental Testing so that the students could take the NCLEX whenever they wanted.

10. The OIG received an allegation indicating that students made \$50.00 payments to the Nursing Program in order to be signed out of the Nursing Program and cleared to take the NCLEX exam. The OIG review did not reveal sufficient evidence to establish that Nursing Program students made any payments to the Nursing Department in order to be signed out of the Nursing Program and cleared to take the NCLEX.
11. The OIG received an allegation indicating that the City College's nursing students know confidential student information about other students.<sup>5</sup> During the course of the review, the OIG learned that a CCC student was provided with two documents from the nursing student files of two students that were maintained by the Nursing Program. However, the OIG was unable to determine who provided the two documents to the CCC student as the student refused to identify from whom she received the documents. (

Due to the various failures to strictly follow CCC and other policies regarding the cohorts that completed in December 2015 and May 2016, the OIG recommended that CCC takes appropriate disciplinary action against the former associate dean who then became a full-time faculty member at another City College, with one caveat: it appeared that the full-time faculty member may have already been disciplined for her activities regarding the Nursing Program when she was demoted from associate dean to full-time faculty member.<sup>6</sup> No additional disciplinary action was taken regarding the former associate dean.

#### OIG Case Number 15-0222

Based on an observation by the OIG in an unrelated investigation that CCC paid a vendor, which provides industrial supplies, twice for a duplicate invoice, the OIG initiated a review of payments made to the CCC vendor for the period of Fiscal Years 2014, 2015 and 2016. The OIG review revealed that during the period of the review, CCC issued duplicate payments for the same order for nine of the vendor's orders. CCC PeopleSoft records indicated that all of the payments were issued via direct deposit. Additionally, all of the orders associated with these duplicate payments were initiated by the same City College. These duplicate payments totaled an overpayment of \$14,237.72 to the vendor. The OIG review did not reveal any fraudulent actions on the part of the vendor or any CCC employees which led to duplicate payments being issued to the vendor.

---

<sup>5</sup> This specific allegation was documented under OIG Case Number 16-0208.

<sup>6</sup> It should be noted that the full-time faculty member/former associate dean discussed herein is the same individual as the associate dean discussed in the excerpt regarding OIG Case Number 16-0203 in this Bi-Annual Report.

Based on the review, the OIG recommended that CCC uses all legal but fiscally responsible remedies to either recoup the \$14,237.72 overpayment from the vendor or to obtain a credit from the vendor for the aforementioned amount. If CCC received a credit from the vendor, the OIG recommended that the Department of Finance ensures that the credit is immediately and fully applied to purchases made by CCC from the vendor.

### **Reports Submitted Documenting Sustained Findings of Waste, Fraud and/or Misconduct**

Pursuant to the provisions of Article 2.7.5 of the Board Bylaws, the following are summaries of the OIG investigations for which reports were submitted documenting sustained findings of waste, fraud or misconduct during the period of January 1, 2017 through June 30, 2017.

#### OIG Case Number 17-0166

The OIG received a complaint alleging that despite the fact that a community outreach worker assigned to a City College resigned from her position and had not been at work since December 22, 2016, an associate vice chancellor (“administrator”) inappropriately edited her time and attendance records to record sick time and other benefit time. The OIG investigation revealed that the administrator submitted CCCWorks time and attendance entries on behalf of the community outreach worker regarding December 23, 2016 through February 3, 2017 as if she was still working as a full-time CCC employee despite the fact that the community outreach worker’s last day of work was December 22, 2016. The more than thirty problematic time and attendance entries made by the administrator on the community outreach worker’s behalf included work days that the community outreach worker did not in fact work, nineteen sick days on which the community outreach worker was not in fact sick, holidays for which the community outreach worker should not have been paid, and several other benefit days that the community outreach worker should not have received. After taking into account the pay for Pay Period 1703 that was previously recouped by the Office of Human Resources and a floating holiday for which the community outreach worker was entitled to be paid out, the OIG determined that the community outreach worker received \$3,893.40 in pay that she should not have received.

In summary, the OIG found that the administrator violated Section IV, Paragraphs 7, 11, 13, 37, and 50 of the CCC District-Wide Employee Manual as well as Article 4.13(e)(ii) of the Board Policies and Procedures for Management and Government. Based on the above, the OIG recommended the following:

- The OIG recommended that CCC takes appropriate disciplinary action against the administrator.

- As the community outreach worker was no longer a CCC employee, the OIG did not recommend any disciplinary action regarding the community outreach worker.
- The OIG recommended that CCC uses all legal but fiscally responsible remedies to either recoup from the community outreach worker as much as \$3,893.40 in pay that she should not have received regarding December 23, 2016 through February 3, 2017 and/or to deduct those earnings from any payouts that may be due to the community outreach worker as a result of her separation from CCC.

The administrator was terminated, and he was designated ineligible to be re-hired.

#### OIG Case Number 17-0153

About two weeks prior to receiving the complaint which was the subject of investigation documented under OIG Case Number 17-0166, the OIG received a complaint regarding the same administrator discussed in the entry above regarding OIG Case Number 17-0166. This complaint alleged that the administrator falsified his own attendance records when he took several sick days and made two override requests during May 2016. This complaint also alleged that the administrator falsified his attendance records when he took a sick day while in New Orleans, Louisiana in July 2015. The OIG determined that in 2015 and 2016, the administrator submitted various CCCWorks time and attendance entries on his own behalf representing that he worked or was sick when he was actually on “vacation” in South Africa and New Orleans. In all, the OIG investigation revealed that the administrator inappropriately utilized eleven sick days when he should have used vacation or other non-sick benefit time. In summary, the OIG found that the administrator violated Section IV, Paragraphs 11, 13, and 50 of the CCC District-Wide Employee Manual as well as Section 4.13(e)(ii) of the Board Policies and Procedures for Management and Government.

Based on the above, the OIG recommended that CCC takes appropriate disciplinary action against the administrator. The OIG further recommended that CCC deducts thirteen vacation days from the administrator’s leave balances and credits eleven sick days to the administrator’s leave balances.

As noted in the entry for OIG Case Number 17-0166, the administrator was terminated and designated ineligible to be re-hired.

#### OIG Case Number 16-0103

The OIG received a complaint that a lecturer assigned to a City College, who also worked as a coordinator at another City College, received regular pay and

special assignment pay for the same work. The OIG investigation revealed the following:

- The OIG investigation did not reveal sufficient evidence to find that the lecturer received regular pay and special assignment pay for the same work.
- Despite being classified as a part-time employee, who typically works no more than thirty hours per week/sixty hours per pay period, the lecturer worked 112, 107, 116, and 108 hours during four consecutive pay periods in the Spring 2015 term.
- During various pay periods in the 2015 and 2016 calendar years, the lecturer submitted numerous Certificates of Attendance which contained mathematical errors resulting in the lecturer receiving pay for 36.5 hours that she did not in fact work. At the lecturer's rate of pay, these erroneously paid hours had a value of \$1,066.67.
- During Pay Period 1515, the lecturer represented that she worked fifty-three hours pursuant to a special assignment request, which was denied effective May 13, 2015; however, the lecturer was not personally notified of the denial until July 10, 2015. At the rate of pay designated by the special assignment request, the lecturer's purported work for which she did not receive pay had a value of \$1,325.00. However, the OIG could not verify the accuracy of the hours that the lecturer purportedly worked pursuant to the special assignment request. In fact, during Pay Periods 1511 and 1512, the lecturer represented on Certificates of Attendance that she purportedly worked hours at one City College that conflicted with other documentary evidence regarding the hours that she worked at another City College, such as e-mails and Certificates of Attendance. This called into question the accuracy of the hours that she represented that she worked at the first.
- An associate dean was inattentive to her duty, in that she signed, as the approving supervisor, fourteen Certificates of Attendance submitted by the lecturer during 2015 and 2016, despite the fact that the Certificates of Attendance contained mathematical errors resulting in the lecturer erroneously receiving \$617.54 in pay, in violation of Section IV(38) of the CCC District-Wide Employee Manual.

Based on the investigation, the OIG made the following recommendations:

- As the lecturer resigned from her position prior to the conclusion of the investigation, the OIG made no recommendation regarding disciplinary action against the lecturer.
- Due to the fact that OIG was not able to verify the accuracy of the hours that the lecturer purportedly worked at one City College during one pay period and that some of the hours that she represented on Certificates of Attendance for Pay Periods 1511 and 1512 that she worked conflict with other documentary evidence, the OIG recommended that CCC neither

seeks recoupment from the lecturer for the hours that she was overpaid during calendar years 2015 and 2016 nor pays her for the hours that she represented that she worked pursuant to the special assignment request for which she was not paid.

- The OIG recommended that CCC takes appropriate disciplinary action against the associate dean.
- The OIG recommended that the Office of Human Resources and Staff Development adopts a procedure to send a timely, automated e-mail to both the staff member and the staff member's supervisor informing them that a Special Assignment Request was denied. This is the procedure currently followed only when special assignment requests are approved.
- The OIG recommended that CCC amends Article 4.10(b) of the Board Policies and Procedures for Management and Government to provide that whenever a part-time employee is to work more than thirty hours in a workweek for a third consecutive workweek, the part-time employee's payroll must be approved by the City College's president or vice president.

Following the disciplinary process, the associate dean was issued a written reprimand.

#### OIG Case Number 17-0180

The OIG received a request from the Department of Safety and Security to review the handcuffing of a male CCC student who battered a female student on the campus of a City College. The male student was enrolled at one City College, and he encountered the female student on the campus of another City College campus at which she was enrolled.

The OIG investigation revealed that after the male student and the female student engaged in a physical altercation, a security assistant assigned to the City College ran from his post in the College's lobby, out of the building, and subsequently detained the male student. The investigation revealed that once the security assistant brought the male student into the College's vestibule, a security officer handed handcuffs to the security assistant. The security assistant handcuffed the male student's hands behind his back, with the assistance of the security officer. These events were captured by the College's security video. During an interview with the OIG, the security assistant also confirmed these events.

The OIG investigation further revealed that neither the security officer nor the security assistant were active or off-duty police officers. As such, pursuant to CCC Department of Safety and Security Order Number DO-0007, the security officer was expressly prohibited from possessing handcuffs while on duty. Likewise, as neither the security officer nor the security assistant were active or off-duty police officers, pursuant to the College's Department of Safety and

Security Standard Operating Procedures, neither were allowed to arrest or handcuff anyone.

Additionally, Section IV(48) of the CCC District-Wide Employee Manual provides that it is prohibited conduct to violate “departmental or College rules and regulations.” In that the security officer violated CCC Department of Safety and Security Order Number DO-0007 by possessing handcuffs while on duty, and the security assistant and the security officer violated the College’s Department of Safety and Security Standard Operating Procedures by placing handcuffs on the male student, they also violated Section IV(48) of the CCC District-Wide Employee Manual.

Based on the investigation, the OIG recommended that CCC takes appropriate disciplinary action against the security assistant.

During the course of his interview with the OIG, the security officer refused to answer six pertinent questions after being advised of administrative rights. As such, the security officer failed to cooperate in an investigation conducted by the OIG, contrary to Article 2.7.4(b) of the Board Bylaws and in violation of Section IV(8) of the CCC District-Wide Employee Manual. Based on his failure to cooperate in an investigation conducted by the OIG as well as based on his violation of CCC Department of Safety and Security Order Number DO-0007 and the College’s Department of Safety and Security Standard Operating Procedures, the OIG recommended that the security officer be terminated. The OIG further recommended that the security officer be designated ineligible to be re-hired and that his personnel records reflect this designation.

Following the disciplinary process, the security officer was terminated, and he was designated ineligible to be re-hired.

Following the disciplinary process, the security assistant was not issued any additional disciplinary action since it was determined that he was issued a verbal warning by his supervisor shortly after the incident occurred.

### Residency Investigations

As noted in the entry documenting the OIG’s Annual Audit of the District’s Compliance with the Residency Policy, during the current reporting period, the OIG sustained three residency-related investigations. The residency-related investigations sustained during the January 1, 2017 to June 30, 2017 reporting period are documented as follows:

#### OIG Case Number 16-0061

The OIG received a complaint that a janitor assigned to a City Colleges resides outside the City of Chicago. The OIG investigation revealed that the janitor

resides in South Holland, Illinois, in violation of Article 4.6(a) of the Board Policies and Procedures for Management & Government and Section III of the CCC District-Wide Employee Manual.

The OIG investigation further revealed that the janitor falsified employment records, in that he fraudulently affirmed on City Colleges of Chicago residency certification documents that he resided in Chicago, Illinois, when in fact he resided in South Holland, Illinois, in violation of Section IV(11) of the CCC District-Wide Employee Manual.

Based on the investigation, the OIG recommended that the janitor be terminated. The OIG further recommended that the janitor be designated ineligible to be re-hired and that his personnel records reflect this designation.

Following the disciplinary process, the janitor was terminated. The janitor was subsequently designated ineligible to be re-hired.

#### OIG Case Number 16-0110

The OIG received a complaint that a director assigned to a City College resides outside the City of Chicago. The OIG investigation revealed that the director resided in North Chicago, Illinois, in violation of Article 4.6(a) of the Board Policies and Procedures for Management & Government and Section III of the CCC District-Wide Employee Manual.

The OIG investigation further revealed that the director falsified employment records in that she fraudulently affirmed on CCC residency certification documents that she resided in Chicago, Illinois, when in fact she resided in North Chicago, Illinois, in violation of Section IV(11) of the CCC District-Wide Employee Manual.

Based on the investigation, the OIG recommended that the director be terminated. The OIG further recommended that the director be designated ineligible to be re-hired and that her personnel records reflect this designation.

The director was subsequently terminated, and she was designated ineligible to be rehired.

#### OIG Case Number 17-0016

The OIG received a complaint that a director assigned to a City College resides outside the City of Chicago. The OIG investigation revealed that the director resides in Park Forest, Illinois, in violation of Article 4.6(a) of the Board Policies and Procedures for Management & Government and Section III of the CCC District-Wide Employee Manual.

The OIG investigation further revealed that the director falsified employment records in that she fraudulently affirmed on CCC residency certification documents that she resided in Chicago, Illinois when in fact she resided in Park Forest, Illinois, in violation of Section IV(11) of the CCC District-Wide Employee Manual.

Based on the investigation, the OIG recommended that the director be terminated. The OIG further recommended that the director be designated ineligible to be re-hired and that her personnel records reflect this designation.

The director was subsequently terminated, and she was designated ineligible to be re-hired.

#### Investigations of CCC vendors

Article 2.6.2 of the Board Bylaws provides the OIG with the authority to conduct investigations regarding waste, fraud, and misconduct by contractors and subcontractors. The CCC Debarment Policy, which is found in Article 5.3 et seq. of the Board Policies and Procedures for Management and Government, provides the causes and the procedures to be followed in order to initiate the taking of disciplinary action against CCC vendors.

During the current reporting period, the OIG substantiated investigations regarding five CCC vendors and seven of the vendors' principals and/or employees. These investigations are summarized as follows:

#### OIG Case Number 14-0127

The OIG received a complaint that a CCC vendor and a participant in the CCC Job Order Contracting ("JOC") Program did not provide CCC with lien waivers from its subcontractors regarding a renovation project at a City College. Initially, the OIG determined that the CCC Department of Administrative and Procurement Services could not locate Final Waivers of Lien from each of the vendor's subcontractors regarding the work performed as part of the renovation project. Likewise, the vendor did not provide the OIG with such documents upon request. The failure to provide such documents to CCC violated Section 9.2 of the Request for Sealed Bid No. DT0909 Job Order Contracting effective September 29, 2009.

In addition to the above finding, during the course of the investigation, the OIG engaged in a further review of the documents submitted to CCC by the vendor regarding a Minority-Owned Business Enterprise ("MBE") subcontractor pursuant to the renovation project. This review revealed that the vendor misrepresented on various documents provided to CCC that it paid the MBE subcontractor \$180,000 for electrical work on the renovation project, when in fact legitimate documentation only supported that the MBE subcontractor was paid \$85,630 for

work performed on the project. The documents that the vendor provided to CCC which contained false statements - reflecting inflated payments to the MBE subcontractor - included Waivers of Lien to Date, a Final Waiver of Lien, and MBE/WBE Utilization Reports. These documents were signed by the vendor's president.

The above actions by the vendor violated various provisions of the CCC Debarment Policy, including the following:

- Article 5.3.3(d) - Making, causing to be made or attempting to make any false, deceptive, or fraudulent material statement in any bid, proposal, or application for Board or any government work, or in the performance of any such contract for the Board or any governmental unit or agency, or in the application for any permit or license;
- Article 5.3.3(j) - Improper conduct, including but not limited to:
  - submitting false, frivolous or exaggerated claims, documents, or records (Article 5.3.3(j)(2));
  - falsification of claims, documents, or records (Article 5.3.3(j)(3)); and
  - misrepresentation to any governmental entity, agency or official (Article 5.3.3(j)(7));...

During the course of the investigation, the vendor also engaged in various acts which demonstrated a failure to cooperate with the OIG in the investigation, in violation of Article 5.3.3(g) of the CCC Debarment Policy and in violation of Article 2.7.4(b) of the Board Bylaws. The manners in which the vendor failed to cooperate with the OIG included the following:

- The vendor provided the OIG with copies of checks with altered memo sections apparently to hide the fact that the payments made pursuant to the checks were for non-CCC-related projects. In a letter dated September 27, 2016, the vendor's president admitted that he "eliminated the memo line on the...checks submitted."
- The vendor provided the OIG with copies of check stubs as fraudulent support for payments to the MBE subcontractor on the renovation project.
- The vendor provided the OIG with an altered General Ledger reflecting non-existent payments made to the MBE subcontractor on the renovation project.
- The vendor failed to provide the OIG with requested copies of invoices that the MBE subcontractor submitted to the vendor.
- An employee of the vendor refused to comply with requests by the OIG for an interview regarding this investigation.

Based on the investigation, the OIG recommended that CCC takes appropriate disciplinary action against the vendor, the vendor's president, and the vendor's

employee pursuant to the CCC Debarment Policy of Article 5.3 *et seq.* of the Board Policies and Procedures for Management and Government.

Through a settlement with CCC approved by the Board, the vendor, the vendor's president, and the vendor's employee agreed to a voluntary exclusion for a period of one year from June 1, 2017 through May 31, 2018. The vendor, the vendor's president, and the vendor's employee were placed on the list of excluded participants that are unable to bid or participate on any contract awarded by CCC as a prime or subcontractor for the period of the voluntary exclusion.

The OIG also notified the Office of the Inspector General of a sister agency - for which the OIG was aware that the vendor had performed services in the past - that the vendor, the vendor's president, and the vendor's employee agreed to the voluntary exclusion.

#### OIG Case Number 17-0142

The OIG learned that a managing member of a Women-Owned Business Enterprise ("WBE") sub-contractor to a CCC vendor was convicted in the United States District Court for the Northern District of Illinois of the offense of making false statements. Pursuant to Article 5.3.3(b)(3) of the CCC Debarment Policy, a vendor may be debarred for a conviction of making false statements.

The OIG investigation revealed that by way of a guilty plea, the managing member was convicted of the offense of making false statements, contrary to Title 18, United States Code, Section 1001(a)(2). The conviction arose from the fact that in July 2012, the managing member lied during a Federal Bureau of Investigation ("FBI") interview, when she falsely denied that she never discussed money with an unnamed public official while the public official was in office, when in fact the public official asked to receive, agreed to receive, and discussed receiving money from the managing member in connection with the public official's duties while the public official was an elected public official. The managing member was sentenced to serve a one-year term of probation.

Based on the investigation, the OIG recommended that CCC takes appropriate disciplinary action against the managing member pursuant to the CCC Debarment Policy of Article 5.3 *et seq.* of the Board Policies and Procedures for Management and Government. Additionally, the OIG recommended that CCC refrains from doing business with the managing member's firm during the term of any disciplinary action taken against the managing member should the managing member be associated with the firm in any manner, including but not limited to as a principal, member, contractor, and/or employee.

As of the date of this Bi-Annual Report, the debarment process was pending.

### Debarments by Other Government Entities

The CCC Debarment Policy provides, *inter alia*, that improper conduct which may subject a vendor to debarment includes debarment imposed by any governmental entity. Based on research conducted by the OIG, it was determined that several active CCC vendors had been permanently debarred by a sister agency. Based on the fact that these CCC vendors were permanently debarred by another government entity, the OIG recommended that CCC permanently debar these vendors from doing any business with CCC. The OIG made such recommendations in the following cases:

- OIG Case Number 17-0199 (Vendor A)

The OIG received information that a CCC vendor (“Vendor A”) and its CEO/president were recently permanently debarred from doing any business with a sister agency. The OIG investigation determined that Vendor A was debarred for engaging in stringing by working with an employee of the sister agency to orchestrate purchases from a non-CCC vendor and Vendor A to avoid the procurement controls of the sister agency as revealed by an investigation by the Office of the Inspector General for the sister agency. The OIG confirmed that the company and its CEO/president, who were debarred by the sister agency, were in fact the same vendor/principal as Vendor A. The OIG determined that Vendor A received about \$7,500 in business since 2015 from CCC. Thus, pursuant to Article 5.3.3(j)(16) of the CCC Debarment Policy, Vendor A and its CEO/president were subject to debarment by CCC. The OIG recommended that CCC permanently debar Vendor A and its CEO/president from doing any business with CCC.

As of the date of this Bi-Annual Report, the debarment process was pending.

- OIG Case Number 17-0199 (Vendor B)

The OIG received information that a CCC vendor (“Vendor B”) was also recently permanently debarred from doing any business with the same sister agency discussed above. The OIG investigation determined that Vendor B was debarred for engaging in stringing by working with an employee of the sister agency to orchestrate purchases from a non-CCC vendor, owned by the wife of the president of Vendor B, and Vendor B to avoid the procurement controls of the sister agency as revealed by an investigation by the Office of the Inspector General for the sister agency. The OIG confirmed that the company and its president, who were debarred by the sister agency, were in fact the same vendor/principal as Vendor B. Likewise, the wife of the president of Vendor B was also listed as a principal of Vendor B on paperwork submitted by Vendor B to CCC.

The OIG determined that although Vendor B was issued a CCC vendor number, Vendor B performed no services for and received no funds from CCC. Thus, pursuant to Article 5.3.3(j)(16) of the CCC Debarment Policy, Vendor B and its two principals were subject to debarment by CCC. The OIG recommended that CCC permanently debar Vendor B and its two principals from doing any business with CCC.

As of the date of this Bi-Annual Report, the debarment process was pending.

- OIG Case Number 17-220

The OIG received information that a CCC vendor was recently permanently debarred from doing any business with the same sister agency discussed above. The OIG investigation revealed that the vendor and its president were debarred for various failures on the vendor's part to adequately perform under the contract with the sister agency and failures to comply with contractual obligations. The OIG confirmed that the company and its president who were debarred by the sister agency were in fact the same vendor/principal as the CCC vendor. The OIG determined that although the vendor was issued a CCC vendor number, the vendor performed no services for and received no funds from CCC. Thus, pursuant to Article 5.3.3(j)(16) of the CCC Debarment Policy, the vendor and its president were subject to debarment by CCC. The OIG recommended that CCC permanently debar the vendor and its president from doing any business with CCC.

As of the date of this Bi-Annual Report, the debarment process was pending.

### **Report Submitted Documenting Investigations that Resulted in Not Sustained Findings but in which Recommendations Were Made**

#### OIG Case Number 17-0230

The OIG received a complaint that a janitor and a projects janitor stole items from an office suite of a City College. The OIG investigation revealed that on March 31, 2017, the janitor and the projects janitor took sample personal care products, which were provided free of charge to the City College, from a basket on a counter in the City College's Office of Student Services. Being that the items taken were free samples of personal care products and the Office of Student Services lacked any policy and failed to otherwise notify or instruct employees that the sample personal care products were only intended for student use, the OIG did not find that the janitor and the projects janitor violated any CCC policies by taking the items.

Based on the OIG investigation, the OIG did not recommend that any disciplinary action be taken against the janitor and/or the projects janitor. However, if the personal care products displayed in the basket on a counter in the City College's Office of Student Services are only intended for student use, the OIG recommended that the City College's Office of Student Services posts a clear and concise notice near the personal care products reflecting that the personal care products are intended for student use only and that the products are not to be taken by employees.

In response, the City College's president wrote as follows:

As housekeeping at (the City) College reports to our facilities team at the District Office, I have worked with (an associate vice chancellor) to develop the response below.

In accordance with the recommendation of the Inspector General, no disciplinary action will be taken against either (the janitor) or (the projects janitor). However, the Office of Administrative Services makes clear in the onboarding of janitorial employees that items should not be moved (or removed) from staff desks, offices, or workspaces during cleaning. The level of professionalism and trust required from custodians that have access to CCC staff and departmental offices after hours is very high. Therefore, the (City) College's Director of Auxiliary Services will make clear in regular staff meetings that staff must not move or take any items even if they believe they are free samples or have no monetary value without first making a request of the department. If (the janitor) or (the projects janitor) had made that request rather than returning after hours to a locked office then they would have maintained that level of trust. In addition, the (City) College Office of Student Services will remove the items from their shelves when the office is closed and place the items in a locked cabinet so that they are not accessible when the office is not staffed by student services personnel.