

Office of the Inspector General City Colleges of Chicago

Office of the Inspector General Bi-Annual Report January 1, 2014 – June 30, 2014

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

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To: Cheryl L. Hyman, Chancellor
Paula Wolff, Chair of the Board of Trustees
Ellen Alberding, Vice-Chair of the Board of Trustees
Larry R. Rogers, Sr., Secretary of the Board of Trustees
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Rev. Darrell Griffin, Trustee
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From: John A. Gasiorowski, Inspector General

Date: August 14, 2014

RE: OIG *Bi-Annual Report* for the period of January 1, 2014 through June 30, 2014

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, 2014 through June 30, 2014.

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. This is the eighth *Bi-Annual Report* submitted pursuant to the amendments to Article 2.6 et seq. of the Board Rules for Management and Government adopted by the Board of Trustees on July 14, 2010 and subsequently made part of the Board Bylaws effective December 1, 2011 as Article 2.7 et seq.

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

New OIG office space

On March 6, 2014, the Board of Trustees approved an intergovernmental agreement with the City of Chicago to provide off-site office space for the OIG at 740 North Sedgwick Street, Suite 310, Chicago, Illinois. On April 30, 2014, the Chicago City Council also approved the lease agreement. This agreement resulted in significant savings (approximately 65%) in OIG office space expenses.

The utilization of off-site office space creates physical independence from the District Office, in conjunction with the legal independence of the OIG as set forth by Article 2.7 of the Board Bylaws. Off-site office space allows for a confidential setting for OIG investigators to work, provides a confidential atmosphere for complainants and witnesses to communicate in person with the OIG, and offers privacy to subjects of investigations interviewed by the OIG. The independence of the OIG is significantly enhanced by this continued commitment of resources by the Board of Trustees and the Chancellor.

Certified Inspector General Auditor designation

From February 24, 2014 through February 28, 2014, an OIG investigator attended the Association of Inspectors General Winter Institute in San Antonio, Texas. The Association of Inspectors General is an organization of state, local and federal inspectors general and their staffs. As a result of attending the week long training institute, as well as successfully passing a comprehensive examination on the final day, the OIG investigator was awarded the designation of *Certified Inspector General Auditor* by the Association. The investigator joins four other members of the OIG who prior to joining the OIG earned the designation of *Certified Inspector General* or *Certified Inspector General Investigator*.

Reappointment of the Inspector General

Article 2.7.1(b) of the Board Bylaws provides that “(t)he Inspector General shall be appointed by the Board upon the recommendation of the Chancellor for a term of four (4) years, which may be renewed.” Inspector General John A. Gasiorowski was first appointed by the Board effective July 19, 2010. On June 5, 2014, the Board of Trustees, upon the recommendation of the Chancellor, approved the reappointment of the Inspector General for a new four-year term to run from July 19, 2014 to July 19, 2018.

Updates to Investigations Documented in the Previous Bi-Annual Report

In the *Bi-Annual Report* submitted for the July 1, 2013 to December 31, 2013 reporting period, the OIG summarized various reports documenting investigations that resulted in sustained findings of waste, fraud and misconduct. At the time the *Bi-Annual Report* was submitted, disciplinary action was pending regarding several of the investigations. The following table updates the statuses of the disciplinary actions recommended by the OIG against CCC employees and vendors as well as the actions taken by CCC.

Case Number	Subject	Recommended Disciplinary Action	Action Taken
11-0067	Project Manager (Full-Time Faculty)	Termination / DNRH ¹	Resignation / DNRH
11-0067	Assistant Program Director	DNRH (following previous Termination)	DNRH
11-0067	Vendor	Debarment	None
11-0126	Media Specialist	DNRH (following Retirement)	DNRH
12-0023	Project Manager (Full-Time Faculty)	Termination / DNRH	Resignation / DNRH
13-0032	Director	Appropriate Discipline	Written Warning
13-0032	College Clerical Assistant II	Appropriate Discipline	1-Day Suspension
13-0032 and 13-0076	Various Students	Ineligible for Work Study Program	Ineligible for Work Study Program
13-0076	Manager	Appropriate Discipline	3-Day Suspension
13-0076	Lecturer	Appropriate Discipline	1-Day Suspension
13-0126	Adult Educator	Appropriate Discipline	1-Day Suspension
13-0126	Adult Educator	Appropriate Discipline	1-Day Suspension
13-0138	Administrator	Appropriate Discipline	Verbal Counseling
13-0175	Full-Time Faculty	Termination / DNRH	Termination / DNRH
13-0176	Director	DNRH (following Resignation)	DNRH
13-0196	College Advisor	Termination / DNRH	Resignation / DNRH
13-0214	College Clerical Assistant I	Appropriate Discipline	3-Day Suspension
13-0230	Security Officer	Termination / DNRH	Retirement / DNRH
14-0049	Security Officer	Termination / DNRH	Resignation / DNRH
14-0049	Janitor Supervisor	Appropriate Discipline	Termination / DNRH
14-0057	Catering Manager	Termination / DNRH	Termination / DNRH
14-0057	Special Events Chef	Termination / DNRH	Termination / DNRH
14-0070	Computer Lab Technician	Appropriate Discipline	Resignation / DNRH
14-0083	College Data Controller	Appropriate Discipline	Resignation / DNRH
14-0083	College Clerical Assistant I	Appropriate Discipline	Resignation / DNRH

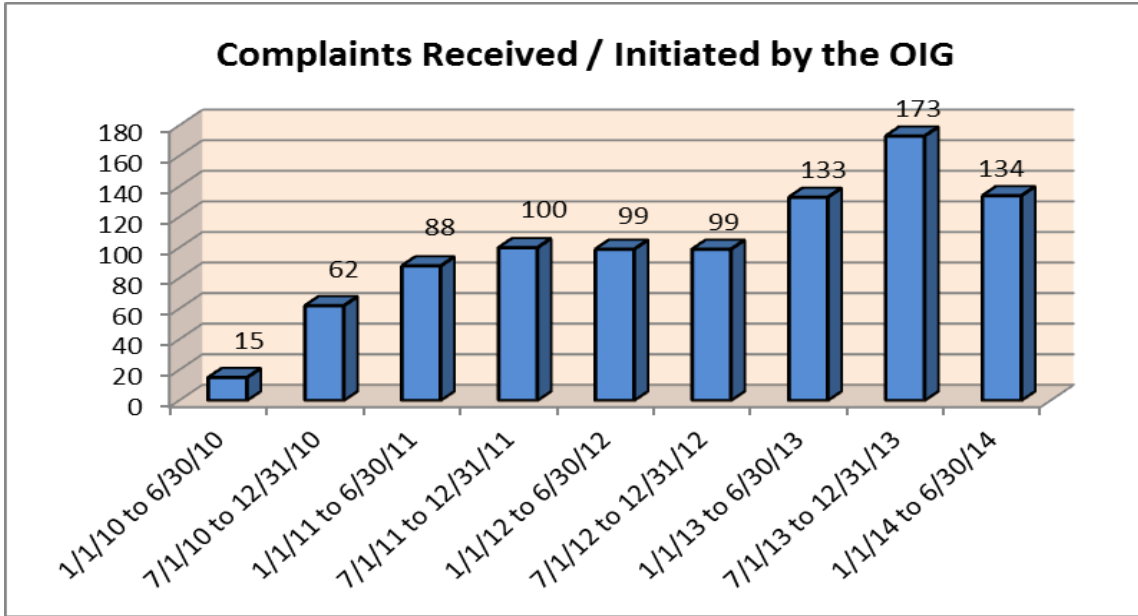
Complaints Received

For the period of January 1, 2014 through June 30, 2014, the OIG received 134 complaints. These 134 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.² For purposes of comparison, the following

¹ "DNRH" means "do not re-hire." In such cases, the employee is designated ineligible to be rehired, and such designation is documented in the employee's personnel records.

² 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...."

table documents the complaints received by the OIG during the current and previous reporting periods.



The 134 complaints received represent a variety of subject matters. The table to follow documents the subject matters of the complaints received.

Subject Matter (Allegation)	Number	%
Violation of CCC Ethics Policy	3	2.24%
Violation of Responsible Computer Use Policy	3	2.24%
Discrimination	4	2.99%
Falsification of employment records	4	2.99%
Discourteous treatment	5	3.73%
Engaging in conduct in violation of the Illinois Compiled Statutes	5	3.73%
Violation of the CCC procurement policies (including MBE / WBE Fraud)	8	5.97%
Fraud (including financial aid / tuition)	9	6.72%
Sexual or other harassment	9	6.72%
Incompetence in the performance of the duties of the position	10	7.46%
Misappropriation of funds / Theft	11	8.21%
Residency	12	8.96%
Falsification of attendance records	16	11.94%
Violation of miscellaneous CCC policies	17	12.69%
Inattention to duty	18	13.43%
Totals	134	100.00%

Status of Complaints

As reported in the previous *Bi-Annual Report*, as of December 31, 2013, the OIG had 130 complaints that were pending, meaning that the OIG was in the process of conducting investigations regarding these complaints. During the period of January 1, 2014 through June 30, 2014, the OIG closed 129 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; the complaint was not sustained following an investigation or no policy violation was 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; a review was completed and recommendations were made; or other reasons. The following chart categorizes the reasons that the OIG closed the 129 complaints during the current reporting period.

Reason Closed	Number	%
Sustained	15	11.63%
Not Sustained / No Policy Violation	44	34.11%
Referred / Deferred	51	39.53%
Subject Inactive	7	5.43%
Duplicate Complaint	7	5.43%
Review with recommendations	3	2.33%
Complaint combined with an active investigation	1	0.78%
Annual Residency Audit completed	1	0.78%
Totals	129	100.00%

Regarding the complaints closed during the period of January 1, 2014 to June 30, 2014, 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.³

³ 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 Section 2.7.3 of the Board Bylaws.

All Complaints Closed from January 1, 2014 through June 30, 2014		
Reason Closed	Number	Average Calendar Days to Close
Sustained	15	188
Not Sustained / No Policy Violation	44	181
Referred / Deferred	51	1
Subject Inactive	7	192
Duplicate Complaint	7	<1
Review with recommendations	3	475
Complaint included with an active investigation	1	<1
Annual Residency Audit completed	1	132
Totals	129	

For purposes of comparison, the table below documents the average number of calendar days between the date that complaints were received and the date that complaints were closed during the previous reporting period (July 1, 2013 through December 31, 2013).

All Complaints Closed from July 1, 2013 through December 31, 2013		
Reason Closed	Number	Average Calendar Days to Close
Sustained	18	270
Not Sustained / No Policy Violation	58	169
Referred / Deferred	48	1
Subject Inactive	7	51
Duplicate Complaint	9	1
Subject Previously Disciplined for Same Conduct	1	50
Total	141	

As of June 30, 2014, the OIG had 135 pending complaints. Fifty-two of these 135 pending complaints (38.5%) were received between January 1, 2014 and June 30, 2014, while thirty-nine (28.8%) were received between July 1, 2013 and December 31, 2013.

OIG Reports Submitted – January 1, 2014 through June 30, 2014

During the reporting period of January 1, 2014 through June 30, 2014, the OIG submitted twenty-two reports.⁴ These twenty-two reports included the annual certification of residency audit, three reports documenting OIG reviews, sixteen reports documenting sustained findings of waste, fraud and/or misconduct⁵, and two reports submitted, at the request of CCC administration, documenting not sustained findings.

Annual Certification of Residency Audit (OIG Case Number 14-0196)

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 1st of each year every full-time employee of CCC will be required to certify their compliance with this 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 1st of each year."

On February 12, 2014, all full-time employees of CCC were sent an e-mail regarding the requirements of Article 4.6(a) of the Board Policies and Procedures for Management & Government and the need to complete the on-line *Annual Certification of Residency*.

On June 18, 2014, the OIG submitted to the Board of Trustees and the Chancellor the results of the 2014 Audit of Compliance with the District's Residency Requirement. The OIG audit revealed that by March 18, 2014, 100% of full-time active and working CCC employees responded to the 2014 Annual Certification of Residency process. The table below documents the responses received:

⁴ Pursuant to Section 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.

⁵ Due to the fact that as of June 30, 2014, the complaint concerning one of the sixteen reports (OIG Case Number 14-0250) documenting sustained findings of waste, fraud and/or misconduct remained open, only fifteen complaints are reflected in this Bi-Annual Report as closed "sustained."

Response	Number	%
No response due to employee being on leave or vacation.	25	1.13%
No response due to termination of employee.	6	.27%
1. Required to be a resident, with correct address. ⁶	2094	94.58%
2. Not required to be a resident, with correct address.	21	.95%
3. Required to be a resident, with incorrect address.	16	.72%
4. Not required to be a resident, with incorrect address.	1	.05%
5. Required to be a resident, but does not currently live within the City of Chicago.	51	2.3%
Totals	2,214	100%

The OIG audit further revealed the following:

- Regarding the thirty-one employees who did not respond.
 - The OIG determined that twenty-four of the employees were in fact on sabbaticals or leaves of absence. One of the employees was on vacation during the re-certification process.
 - The OIG determined that six of the employees had been terminated.

- Regarding the fifty-one employees who responded that they were required to be residents but did not currently reside within the City of Chicago.
 - The OIG determined that twenty of the employees were employed for less than six months or previously received approved extensions.
 - The OIG determined that four of the employees submitted a City of Chicago residence in the PeopleSoft system subsequent to submitting their recorded response.
 - The OIG determined that twenty-seven 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-six of these twenty-seven employees appear to reside within the City of Chicago and no doubt checked the wrong box on the Annual Certification of Residency on-line form.
 - The OIG initiated an investigation regarding one of these twenty-seven employees. This investigation is currently active.

- Regarding the twenty-two employees who responded that they were not required to be a resident of the City of Chicago.
 - All twenty-two of these employees fall within an exception to the residency requirement.

⁶ The blank Certification of Residency form is pre-populated with the employee's address as reflected in the CCC PeopleSoft system.

- Fourteen of these twenty-two employees were hired before July 1, 1977.
- One of these employees was an engineer hired before January 1, 1980 and thus falls within an exception to the residency requirement.
- Seven of these twenty-two employees were exempt from the CCC Residency Requirement due to side letter agreements.

Reports Documenting OIG Reviews

Review of compliance with CCC polices and guidelines regarding participation in the Federal Work Study program at a City College (OIG Case Number 12-0143)

Based on observations made during an unrelated investigation, the OIG initiated a review of the compliance with CCC policies and guidelines regarding participation in the Federal Work Study program at one of the City Colleges. The time period covered by this review was primarily the 2011-2012 academic year.

At the conclusion of the review and in the interest of full exploration of the issues, the OIG submitted a draft Investigative Summary documenting the OIG review to the CCC Chief Financial Officer to elicit responses to the OIG's findings and recommendations. Subsequently, the OIG received these responses in a memorandum authored by the associate vice chancellor of student financial services. The OIG's findings and recommendations are documented below, followed by the management response.

- OIG Finding: During the 2011-2012 academic year, 38% of the one City College's Federal Work Study participants worked more than twenty hours during at least one week, contrary to the *City Colleges of Chicago Federal Work Study Program Student Manual*.
 - Management Response: CCC's prohibition on students working more than 20 hours per week is an institutional policy and is not a federal regulation. The 2013/14 Federal Student Aid Handbook (Volume 6, Chapter 2, p. 6-42) states "...Federal Work Study is a program designed to provide part-time employment, and students should not often work in excess of 40 hours in a single week." CCC limits students to twenty hours per week because we want to ensure that a student's Federal Work Study employment does not interfere with his/her studies. The Financial Aid Directors will be reminded of this policy at our January 30th (2014) meeting.
- OIG Finding: During the 2011-2012 academic year, a sample of the City College's Federal Work Study participants earned in excess of their financial aid award, contrary to the *City Colleges of Chicago Federal Work Study Program Student Manual*.

- Management Response: A student's financial aid award of Federal Work Study should never be less than the funds they were disbursed for the academic year. However, a student's financial aid award can be higher than the amount they actually earned. The second scenario merely indicates that a student did not earn the full amount they were awarded by the college and is not indicative of mismanagement. As stated in the Investigative Summary, a mismatch between the Human Resources system and the student's award does not indicate that the student was over-awarded financial aid because a student can actually receive Federal Work Study up to his/her unmet financial need for the academic year. Student earnings are regularly retrieved from the Human Resources system and are used to update the disbursed amount for the Federal Work Study award. Student Financial Services will work with OIT to provide regular reports of student earnings in the Human Resources system to the Financial Aid Offices ensure that the earnings in both systems match as closely as possible.

- **OIG Finding:** During three academic years (2010-2011, 2011-2012 and 2012-2013), a total of thirty of the City College's Federal Work Study participants earned more than \$5,000, contrary to the *City Colleges of Chicago Federal Work Study Program Student Manual*. Moreover, during these same three academic years, a total of 137 District-Wide Federal Work Study participants earned more than \$5,000 during an academic year, contrary to the *City Colleges of Chicago Federal Work Study Program Student Manual*.
- Management Response: CCC's prohibition on students earning more than \$5,000 in an academic year is an institutional policy and is not a federal regulation. The 2013/14 Federal Student Aid Handbook (Volume 6, Chapter 2, p. 6-39) states "In assigning a Federal Work Study job, a school must consider the student's financial need, the number of hours per week the student can work, the period of employment, and anticipated wage rate, and the amount of other assistance available to the student. While there is no minimum or maximum award, the amount for each student should be determined based on these factors." CCC limits students to no more than \$5,000 per year to ensure that many students have access to the program and that no one student or supervisor benefits from the program disproportionately. Because the payroll system is two weeks behind, in some cases a student may earn more than their financial aid award. Again, this is not problematic as long as the student has not exceeded his/her unmet need for the year. In limited circumstances, it may make sense for a student to be permitted to earn wages beyond the \$5,000 limit. We will modify the CCC Federal Work Study Manual to state that with the written permission of the Director of Financial Aid, a student may be permitted to earn beyond \$5,000. The Financial Aid Directors will be reminded of the \$5,000 limit at our January 30th meeting.

- **OIG Finding:** During the 2011-2012 academic year, a sample of the City College's Federal Work Study participants erroneously calculated the hours worked resulting in the participants receiving pay for hours not in fact worked, contrary to the *City Colleges of Chicago Federal Work Study Program Student Manual*.
 - **Management Response:** I concur that it is unacceptable for a student's Federal Work Study timesheet to be totaled incorrectly and for a student to be paid Federal Work Study wages for hours he/she did not work. It is the responsibility of the student, the student's Federal Work Study supervisor, and payroll to check that the student is being paid for the appropriate number of hours. In support of this goal, the Financial Aid Directors will be asked to reach out to the Federal Work Study supervisors and payroll department at their colleges and to remind them that student timesheets must be totaled accurately.

- **OIG Recommendation:** The OIG recommends that the time and attendance of all Federal Work Study program student participants be maintained as part of the *CCC Works* electronic time and attendance system.
 - **Management Response:** I concur that using *CCC Works* would greatly improve the accuracy of time and attendance for all Federal Work Study Participants. However, I am not confident that this is feasible for Human Resources due to high turnover in the Federal Work Study program. I will initiate a conversation with Human Resources on this topic.

- **OIG Recommendation:** The OIG recommends that all time and dollar limits reflected in the *City Colleges of Chicago Federal Work Study Program Student Manual*, the *City Colleges of Chicago Federal Work Study Program Internal Procedures*, and any other City Colleges of Chicago policy be incorporated into the Regents Educational, Inc. financial aid system so that alerts are made when such limits are reached and payments cannot be made to students without specific approvals being obtained.
 - **Management Response:** Federal Work Study awards are already limited to \$5,000 in the Regent system. If a student were permitted by the Director of Financial Aid to earn more than \$5,000, an override would need to be performed by District Office. I tested this functionality today, and it is working as designed. It is impossible to limit the number of hours a student can work through either the Regent or PeopleSoft system because student time is currently certified on paper. However, the Financial Aid Offices can reinforce the policy with students, Federal Work Study supervisors, and payroll.

Review of CCC Employee Tuition Reimbursement (OIG Case Number 13-0098)

The OIG initiated a review of the CCC employee tuition reimbursement process. The OIG reviewed the period of July 1, 2009 through March 20, 2013. The OIG determined that during the period of the review, CCC made 664 tuition reimbursement payments to 338 CCC employees. The OIG randomly selected sixty of the 664 (9%) tuition reimbursement payments for review. These sixty reimbursement payments were made to fourteen CCC employees. The OIG review of CCC employee tuition reimbursements revealed the following:

- Of the fifty-seven tuition reimbursement payments that the OIG reviewed, three (5%) of these tuition reimbursement payments exceeded the tuition reimbursement amounts that the employees should have received by a (combined) total of \$3,992.31.
- Although the CCC Tuition Reimbursement Policy (“Tuition Reimbursement Policy”) and the Agreement between the Board of Trustees of Community College District No. 508 and the Federation of College Clerical and Technical Personnel Local 1708 AFT, IFT, AFL-CIO (“Local 1708 collective bargaining agreement”) require employees seeking tuition reimbursement to submit their original grade reports and original payment receipts prior to receiving tuition reimbursement payments, the District Office Benefits Division (“Benefits Division”) fails to require that original grade reports and original payment receipts are received prior to employees receiving tuition reimbursement payments.
- Although the Tuition Reimbursement Policy and the Local 1708 collective bargaining agreement provide that a course will not be reimbursed if a comparable course is offered at the City Colleges of Chicago, the Benefits Division lacks any process to determine whether CCC offers a course comparable to the course for which an employee is seeking tuition reimbursement.
- Under current CCC practices, an employee is eligible for tuition reimbursement even if the employee received a grant, scholarship or similar award which was applied to the course tuition for which the employee is requesting tuition reimbursement.
- The Benefits Division was unable to locate the tuition reimbursement files regarding three tuition reimbursement payments which were included in the OIG review.

Based on the review, the OIG made various recommendations. Subsequently, the OIG received a written response from the Chancellor. The OIG’s findings and recommendations are documented below, followed by the management response in verbatim form.

- The OIG recommended that in accordance with the Tuition Reimbursement Policy and the Local 1708 collective bargaining agreement, the Benefits Division requires all employees seeking tuition reimbursement to submit their original grade report and original payment receipts regarding the course(s) for which the employees are requesting tuition reimbursements prior to approving and/or making tuition reimbursement payments.
- The OIG recommended that the Benefits Division develops and implements a process whereby prior to approving and/or making a tuition reimbursement payment, the Benefits Division is able to determine whether CCC offers a course comparable to the course for which that employee is seeking tuition reimbursement.
- The OIG recommended that CCC amends the Tuition Reimbursement Policy to include that employees may not receive tuition reimbursement for a course for which the tuition has already been paid with grants, scholarships or similar awards and/or for which will be paid with such awards.
- In order to ensure that tuition reimbursement payments comply with all relevant CCC policies and procedures, the OIG recommended that the CCC Internal Audit Department reviews tuition reimbursement payments at least every two years.
- The OIG recommended that the Office of the General Counsel determines whether it is legally feasible and fiscally responsible for CCC to recoup \$3,812.31 in tuition reimbursement overpayment from a former high-level administrator in light of a Severance Agreement and Release entered into at the time the administrator's employment with CCC ended.
- The OIG recommended that CCC uses all legal and fiscally responsible remedies to recoup \$180.00 in tuition reimbursement overpayment from a part-time computer lab technician assigned to a City College.
- Management Response

Thank you for your report dated May 21, 2014 relating to Employee Tuition Reimbursements. As you know, this program is a critical component of City College's effort to ensure that our employees have access to professional and educational development opportunities.

In that regard, I agree that the District Wide Employee Manual policy of requiring the submission of appropriate documentation by the employee as a condition for approval should be enforced. I also support a clarification of the policy that prohibits reimbursement for tuition that was

not paid by the employee but covered by a grant or scholarship. I have directed the Human Resources Department to implement the appropriate measures and controls to strengthen these aspects of the program.

You should know that the City Colleges of Chicago's Internal Auditor has included an examination of tuition reimbursement payments in his audit plan for this year. In addition, I have referred the matter of [the part-time computer lab technician] to our Law Department for appropriate action.

Regarding your recommendation that would prohibit tuition reimbursement if it is determined that City Colleges offers a comparable course, I am fully aware, as you now are, that this requirement is memorialized in the Board Policies and Procedures. Enforcing this policy in the manner that you suggest is impractical in that many employees enroll in degree programs and it would be disruptive to the continuity of their program to require them to alternate between City Colleges and their chosen program. The District will, of course, continue to promote tuition waiver for credit classes at the City Colleges that is available to all full-time employees.

Finally, I have discussed your recommendation relating to [the former high-level administrator] with the City College's General Counsel. Since the City Colleges entered into a Settlement Agreement and Release with her that "forever bar(s) any future actions arising out of the parties' employment relationship" it would not be prudent to pursue recoupment actions against her.

Review of copyright-related issues concerning assessments administered during the Summer 2013 term (OIG Case Number 14-0018)

The OIG received a complaint that a department at a City College mass-produced copies of copyrighted assessment tests and thereby infringed on copyright laws. The OIG reviewed the copyright-related issues concerning these assessments, which were administered during the Summer 2013 term. The OIG review found that a District Office division failed to obtain the appropriate licenses and/or adequately document the acquisition of the licenses required to use the copyrighted material that comprised the assessments administered during the Summer 2013 term. These failures potentially exposed CCC to significant financial risk for numerous instances of copyright infringement.

In order to minimize the risk of CCC personnel violating copyrights and subjecting CCC to financial liability in the future, the OIG recommends that CCC develops specific copyright policies and procedures, which should include, but not be limited to, the following:

- An official process that CCC employees can follow to receive advice on any copyright-related issues.

- A process to vet the works that are issued on CCC's behalf before the works are published or distributed.
- A process for acquiring, documenting, and maintaining any licenses that are necessary to legitimately use a copyrighted work.

Reports of 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, 2014 through June 30, 2014 regarding seventeen individual employees.

OIG Case Number 14-0208

The OIG received multiple complaints that various items, including cash, were being stolen from offices at a City College. The OIG and the Department of Safety and Security conducted a joint investigation regarding these thefts. The investigation revealed that a janitor at the City College, while on duty at the college, stole \$56.00 in cash from the desk drawer of an employee of the college. The cash that was stolen was placed in the office by the OIG, and the incident was captured by a covert camera placed in the employee's office. During an interview with the OIG, the janitor admitted that he took the money from the desk drawer and further admitted that he previously took \$40.00 in cash from the same desk drawer. It should be noted that the \$40.00 was taken prior to the initiation of the investigation. The janitor's misconduct violated Section IV, Paragraphs 15 and 50 of the CCC District-Wide Employee Manual.

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

Following the disciplinary process, the Board of Trustees approved the termination of the janitor, and he was designated ineligible to be re-hired.

Moreover, the janitor was subsequently criminally charged with the felony offense of theft. On July 15, 2014, the janitor pled guilty to the felony offense of theft in the Circuit Court of Cook County and was sentenced to serve a two-year term of probation.

OIG Case Number 14-0012

The OIG received a complaint that a college bursar assistant assigned to a City College allegedly forged the signature of his supervisor on an Out of Office Request Form and made an unauthorized change to a Certificate of Attendance.

The OIG investigation revealed that the college bursar assistant did not make a change on his Certificate of Attendance after his supervisor signed the Certificate of Attendance. The OIG investigation also revealed that the college bursar assistant did not forge the signature of his supervisor on the Out of Office Request Form approving his request to take July 5, 2013 off from work. Rather, the OIG investigation revealed that the supervisor signed the form.

Moreover, during the course of the OIG investigation, the OIG determined that the supervisor made false statements during her interviews with the OIG, in violation of Section IV(8) of the CCC District-Wide Employee Manual. The nature of the supervisor's false statements concerned her denials that she signed the Out of Office Request Form and the Certificate of Attendance regarding the college bursar assistant.

The fact that the supervisor made false statements during her interviews with the OIG is particularly significant because it caused the OIG to expend more time and resources than necessary if the supervisor would have simply told the truth during her initial interview with the OIG, or better yet, if she would have never falsely reported that she did not sign the college bursar assistant's Out of Office Request Form. As a CCC administrator in a position of leadership, the supervisor should possess the highest amount of integrity and credibility. However, throughout the investigation, the supervisor did not show such qualities.

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

Following the disciplinary process, the Board of Trustees approved the termination of the supervisor, and she was designated ineligible to be re-hired.

OIG Case Number 13-0141

The OIG received a complaint that a part-time college clerical assistant at a City College represented that she worked full days, when in fact she attended classes at the College while on work time and failed to make up any of the time that she represented that she worked. The OIG investigation revealed that based on a review of the time and attendance records regarding the college clerical assistant for the period of December 2010 to May 2013, the college clerical assistant fraudulently misrepresented the hours that she worked and for which she received pay. The OIG investigation revealed that the college clerical assistant's fraudulent misrepresentation of the hours that she worked consisted of the following: a) she misrepresented that she was working when in fact she was attending classes at the College and at off-campus clinical sites; b) she misrepresented that she was working when in fact she was on her lunch break; and c) she misrepresented that she was working when in fact she was not in fact at work and/or could not have been at work. Additionally, the college clerical

assistant was paid for hours to which she was not entitled because she erroneously calculated her total hours worked on her Certificates of Attendance by including hours that were not supported by the actual times that she documented that she worked on her Certificates of Attendance. These acts of misconduct violated Section IV, Paragraphs 7, 11, 17, 38 and 50 of the CCC District-Wide Employee Manual as well as Article 4.11(c) of the Board Policies and Procedures for Management and Government.

Additionally, the OIG investigation revealed that the college clerical assistant's supervisor approved the vast majority of the fraudulent Certificates of Attendance submitted by the college clerical assistant during the period reviewed by the OIG. Although the supervisor was subsequently promoted, the supervisor was the college clerical assistant's direct supervisor during the period reviewed by the OIG. The supervisor's failure to adequately supervise the college clerical assistant and failure to adequately review the college clerical assistant's time and attendance records greatly contributed to the college clerical assistant receiving pay to which she was not entitled. As such, the OIG investigation revealed that the supervisor violated Section IV, Paragraphs 37 and 39 of the CCC District-Wide Employee Manual.

Based on the investigation, the OIG recommended that the college clerical assistant be terminated, that she be designated ineligible to be re-hired, and that her personnel records reflect this designation. The OIG further recommended that CCC takes appropriate disciplinary action against the supervisor.

Following the disciplinary process, the college clerical assistant was terminated, and she was designated ineligible to be re-hired. The supervisor was issued a written warning.

OIG Case Number 14-0250

The OIG learned that a full-time faculty member of a City College was arrested for the offense of criminal sexual assault. The OIG further learned that the alleged victim of the criminal sexual assault was a former student of the full-time faculty member at the College.

During an interview with the OIG, the full-time faculty member refused to answer thirteen questions posed by the OIG after he was advised of administrative rights. At the interview, the full-time faculty member was represented by his private attorney as well as two union representatives. The full-time faculty member's refusal to answer questions during an interview by the OIG violated Article 2.7.4(b) of the Board Bylaws.

Based on the full-time faculty member's refusal to answer the thirteen questions posed by the OIG during an interview after being advised of administrative rights, the OIG recommended that the full-time faculty member be terminated, that he

be designated ineligible to be re-hired, and that his personnel records reflect this designation.

Following the disciplinary process, the Board of Trustees approved the termination of the faculty member, and he was designated ineligible to be re-hired.

OIG Case Number 14-0022

The OIG received a complaint that an adult educator at a City College was falsifying his attendance records by starting his classes late or dismissing his classes early. The OIG investigation revealed that on various days in October and November 2013, the adult educator misrepresented his start and/or end times on his time and attendance records. Thus, he received pay for hours that he did not in fact work. The adult educator's actions violated Section IV, Paragraphs 7, 11, 17, 38, and 50 of the CCC District-Wide Employee Manual as well as Article 4.11(c) of the Board Policies and Procedures for Management and Government.

Based on the investigation, the OIG recommended that CCC takes appropriate disciplinary action against the adult educator. The adult educator subsequently resigned from his position with CCC.

OIG Case Number 14-0024

The OIG received a complaint that an adult educator at the same City College regarding OIG Case Number 14-0022 was falsifying his attendance records by starting his classes late or dismissing his classes early. The OIG investigation revealed that on numerous days in November 2013, the adult educator misrepresented his end times on his time and attendance records. Thus, he received pay for hours that he did not in fact work. The adult educator's actions violated Section IV, Paragraphs 7, 11, 17, 38, 48, and 50 of the CCC District-Wide Employee Manual as well as Section 4.11(c) of the Board Policies and Procedures for Management and Government.

Based on the investigation, the OIG recommended that CCC takes appropriate disciplinary action against the adult educator. The adult educator subsequently retired from his position with CCC, and he was designated ineligible to be re-hired.

OIG Case Number 14-0199

The OIG received a complaint that in August or September 2013, a CCC manager visited family overseas for two weeks, but his time records reflect that he was paid for regular hours during that time. During the course of the investigation, the OIG reviewed the time and attendance and payroll records

regarding the manager for the period of November 17, 2011, when he became a full-time CCC employee, through May 10, 2014, when he resigned from his position with CCC. The OIG investigation revealed that for at least 13.5 days for which CCC paid the manager on days that he was not in fact at work, no benefit time was deducted from the manager's benefit time balances. Based on the manager's salary, this non-deducted benefit time was valued at \$3,754.81.

Based on the results of the OIG review of the manager's time and attendance and payroll records, the OIG recommended that CCC uses all legal and fiscally responsible remedies to recoup \$3,754.81 from the manager. The OIG observed that being that CCC had yet to disburse purportedly "owed" pay and vacation payout funds to the manager, such funds may be a source for some of the recoupment from him. As of the date of this report, CCC recouped all but \$1,375.63 from the manager.

Additionally, during the course of the investigation, the OIG sought to interview the manager. On two occasions, the manager failed to appear for scheduled interviews with the OIG. Such conduct by the manager constituted a failure to cooperate with the OIG and violated Article 2.7.4(b) of the Board Bylaws.

Due to the manager's failure to cooperate with the OIG and since he resigned from his position with CCC, the OIG recommended that the manager be designated ineligible to be re-hired, and that his personnel records reflect this designation. Subsequently, the manager was designated ineligible to be re-hired.

OIG Case Number 14-0121

The OIG received a complaint that a college lab assistant II assigned to a City College resided outside the City of Chicago. The OIG investigation revealed that the college lab assistant II resides in Oak 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 college lab assistant falsified employment records in that she fraudulently affirmed on a CCC residency certification document that she resided in Chicago, Illinois, when in fact she resided in Oak Forest, Illinois, in violation of Section IV(11) of the CCC District-Wide Employee Manual.

Based on the investigation, the OIG recommended that the college lab assistant be terminated, be designated ineligible to be re-hired, and that her personnel records reflect such designation.

Following the disciplinary process, the Board of Trustees approved the termination of the college lab assistant, and she was designated ineligible to be re-hired.

OIG Case Number 14-0255

The OIG received a complaint that food items were being stolen from the desk and refrigerator of an employee at a City College. The OIG investigation revealed that on various occasions, a janitor assigned to the college stole a large amount of candy from the drawer of the employee's credenza. One such theft by the janitor was captured by a covert camera placed in the employee's office during the investigation by the OIG. The janitor's misconduct violated Section IV, Paragraphs 15 and 50 of the CCC District-Wide Employee Manual.

Additionally, the OIG reviewed the janitor's disciplinary history. The janitor's disciplinary history included at least thirteen incidents leading to documented work rule infractions in a one-year period.

Based on the OIG investigation and the janitor's extensive disciplinary history, the OIG recommended that the janitor be terminated, be designated ineligible to be re-hired, and that his personnel records reflect this designation.

Following the disciplinary process, the Board of Trustees approved the termination of the janitor, and he was designated ineligible to be re-hired.

OIG Case Number 14-0137

The OIG received a complaint that a full-time faculty member assigned to a City College was dismissing her clinical nursing classes early. During the course of the investigation, the OIG conducted surveillances of the faculty member. These surveillances revealed that the faculty member falsely represented that she worked full days when in fact on one occasion, she left her clinical class assignment two and one-half hours before the scheduled end time and she never held her clinical class assignments on two occasions. The OIG investigation revealed that on these three occasions, the faculty member failed to provide almost twenty-six hours of clinical instruction that she was scheduled to provide, and she failed to make up any of these hours. The faculty member's actions violated Section IV, Paragraphs 7, 11, 37, 38, 39 and 50 of the CCC Employee Manual as well as Article 4.11(c) of the Board Policies and Procedures for Management & Government.

Based on the investigation and the results of the investigation documented in this Bi-Annual Report under OIG Case Number 14-0183, the OIG recommended that the faculty member be terminated. The OIG further recommended that the faculty member be designated ineligible to be re-hired and that her personnel records reflect this designation.

Following the disciplinary process, the Board of Trustees approved the termination of the full-time faculty member, and she was designated ineligible to be re-hired.

OIG Case Number 14-0183

During the course of the investigation of the same faculty member discussed under OIG Case Number 14-0137, the OIG learned that the faculty member resided outside the City of Chicago in violation of the CCC Residency Policy. The OIG investigation revealed that the faculty member resided 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 faculty member falsified employment records in that she fraudulently affirmed on a CCC residency certification document that she resided in Chicago, Illinois, when in fact she resided in South Holland, Illinois, in violation of Section IV(11) of the CCC District-Wide Employee Manual.

Additionally, during an interview with the OIG, the faculty member made at least one false statement. As such, the faculty member violated Section IV(8) of the CCC District-Wide Employee Manual.

Based on the investigation and the results of the investigation documented in this Bi-Annual Report under OIG Case Number 14-0137, the OIG recommended that the faculty member be terminated. The OIG further recommended that the faculty member be designated ineligible to be re-hired and that her personnel records reflect this designation.

Following the disciplinary process, the Board of Trustees approved the termination of the full-time faculty member, and she was designated ineligible to be re-hired.

OIG Case Number 14-0138

The OIG received a complaint that a full-time faculty member, assigned to the same City College as discussed regarding OIG Case Number 14-0137, was dismissing her clinical nursing classes early. During the course of the investigation, the OIG conducted surveillances of the faculty member. These surveillances revealed that on at least four occasions, the faculty member left her clinical class assignment well before the scheduled end time. The OIG investigation revealed that on these four occasions, she left early from her clinical class assignments between forty-seven minutes and one hour and thirty-seven minutes, totaling four hours and eighteen minutes over the course of the four surveillances. One hour amounts to more than 16% of the six-hour clinical class. The faculty member's actions violated Section IV, Paragraphs 7, 11, 37, 38, 39, and 50 of CCC District-Wide Employee Manual as well as Article 4.11(c) of the Board Policies and Procedures for Management & Government.

Based on the investigation, the OIG recommended that CCC takes appropriate disciplinary action against the faculty member. The disciplinary process regarding the faculty member is currently pending.

OIG Case Number 14-0069

The OIG received a complaint that a manager assigned to a City College utilized two Federal Work Study students who were assigned to his department to work with a College athletic team of which he was the head coach. The OIG investigation revealed that the manager represented on Federal Work Study Authorization to Work forms that he hired the two students to perform Federal Work Study assignments with his non-athletic related department, when in fact he also assigned them off-campus duties with College athletic teams, which included shagging balls and passing out uniforms. Such actions by the manager violated Section IV, Paragraphs 6, 9 and 11 of the CCC District-Wide Employee Manual.

Additionally, the OIG investigation revealed that the manager utilized an individual as a volunteer coach to run some of the College athletic team's practices in the manager's absence, despite the fact that the individual was not appropriately processed as a CCC volunteer. Such action by the manager violated Article 4.6(i) of the Board Policies and Procedures for Management and Government.

Based on the results of this investigation and the results of an investigation recorded under OIG Case Number 13-0076, which was documented in the OIG Bi-Annual Report for the period of July 1, 2013 to December 31, 2013, the OIG recommended that CCC takes appropriate disciplinary action against the manager.

The OIG further recommended that the College ceases utilizing the individual as a volunteer coach at least until he was properly processed as a volunteer; particularly until he is subjected to a drug screening and criminal background and personal reference checks, pursuant to Article 4.6(i) of the Board Policies and Procedures for Management and Government.

Following the disciplinary process, the manager was suspended for a period of three days.

Violations of the CCC Ethics Policy

The CCC Ethics Policy is found in Article 5.2 et seq. of the Board Policies and Procedures for Management and Government. During the reporting period of January 1, 2014 to June 30, 2014, the OIG submitted three reports documenting investigations in which CCC employees were found by the OIG to have engaged in violations of the CCC Ethics Policy. These report were as follows:

- OIG Case Number 14-0182

The OIG received a complaint that a veteran's services specialist assigned to a City College was engaging in a romantic relationship with a student whom she supervised in violation of the CCC Ethics Policy. The OIG investigation revealed that during the Fall 2013 term, the veteran's services specialist supervised a veteran work study student with whom she was engaging in a romantic relationship. Additionally, the veteran's services specialist failed to immediately disclose the inappropriate relationship with the student to a relevant college administrator. The veteran's services specialist's actions violated the *Conflicts of Interest* provisions of Section 5.2.10(2) of the CCC Chicago Ethics Policy, and thus also violated Section IV(44) of the CCC District-Wide Employee Manual.

Based on the investigation, the OIG recommended that CCC takes appropriate disciplinary action against the veteran's services specialist.

Following the disciplinary process, the Board of Trustees approved the termination of the veteran's services specialist, and she was designated ineligible to be re-hired.

- OIG Case Number 14-0162

The OIG received a complaint that a director at a City College was engaging in a romantic relationship with a supervisee contrary to the CCC Ethics Policy. The OIG investigation revealed that in the fall of 2013, the director engaged in a conflict of interest contrary to the CCC Ethics Policy, specifically, Article 5.2.10(1) titled *Conflicts of Interest*, which provides that "(n)o employee or Board member shall make or participate in the making of any decision or take away any action with respect to any matter in which he has any special interest."⁷ The OIG investigation revealed that the director made decisions regarding a supervisee while he was in a romantic relationship with this employee and while he lived with this employee. These decisions included assigning and supervising the employee's work assignments and approving her Certificates of Attendance.

Based on the investigation, the OIG recommended that CCC takes appropriate disciplinary action against the director. It should be noted that the supervisee resigned from her position with CCC during the course of the investigation. The director was issued a written warning.

⁷ Pursuant to Section 5.2.2(ee) of the CCC Ethics Policy, special interest "means any economic or other personal interest that is in any way distinguishable from the interest of the public generally" and may include a "romantic or familial relationship."

- OIG Case Number 14-0172

The OIG received a complaint that a janitor supervisor at a City College was related to a janitor whom he supervised at the same City College. The OIG investigation revealed that the janitor supervisor and the janitor are brother and sister, and the janitor supervisor served as the janitor's supervisor for over eleven years. The OIG investigation revealed that as the janitor's supervisor, the janitor supervisor gave her work assignments and checked her work. As the janitor supervisor had served and continued to serve as the supervisor of the janitor, the janitor supervisor violated the CCC Ethics Policy, specifically, Articles 5.2.8(1)(i) and 5.2.10(1) of the Board Policies and Procedures for Management and Government, which in turn are violations of Section IV(44) of the CCC Employee Manual.

Based on the investigation, the OIG recommended that CCC takes appropriate disciplinary action against the janitor supervisor. Additionally, the OIG recommended that either the janitor supervisor or the janitor be transferred to a different City College so that the janitor supervisor no longer serves as the supervisor of the janitor.

Subsequently, the janitor was transferred to another CCC facility and was no longer supervised by the janitor supervisor. Following the disciplinary process, the janitor supervisor was suspended for a period of two days.

Investigative Summaries Documenting Not Sustained Findings

It is not the usual policy of the OIG to submit reports documenting investigations that result in not sustained findings. However, due to the fact that written documentation regarding the findings of these investigations was requested by CCC administration, the OIG submitted reports documenting the not sustained findings of the following investigations.

OIG Case Number 14-0184

The OIG received information that an adult educator assigned to a City College shared the same name as an individual who was the subject of allegations of sexual misconduct while serving as a priest for the Archdiocese of Chicago. The OIG investigation revealed that the adult educator was the same individual who was the subject of allegations of sexual misconduct while serving as a priest from May 9, 1973 until September 9, 1993 for the Archdiocese of Chicago. During the course of the OIG investigation, the OIG interviewed numerous individuals, including a former College president, individuals from the College's Department of Safety and Security, the current and two former human resources administrators at the College, the dean of instruction at the College, the dean of student services at the College, a program chair at the College, a dean at the

College, a former assistant dean at the College, various educators at the College, an administrative assistant, and the adult educator.

The OIG investigation did not reveal any evidence that the adult educator engaged in sexual misconduct during his employment with CCC. The OIG also investigated whether CCC received any complaints that suggested that the adult educator engaged in sexual misconduct during his employment with CCC. The OIG found no records of any complaints that suggested that the educator engaged in sexual misconduct during his employment with CCC.

OIG Case Number 14-0105

The OIG was referred a complaint that a high-level administrator engaged in various forms of discrimination against an employee in the administrator's department. During the course of the investigation, the OIG conducted interviews of the complainant, former CCC employees, current CCC employees and the subject of the investigation. The OIG also reviewed various personnel files, dozens of e-mails, and other relevant documents.

Based on the facts revealed during the course of the investigation and a review of the relevant law, the OIG found that sufficient evidence did not exist to sustain a finding that the administrator discriminated against the complainant based on the complainant's race, gender and/or parental/marital status as alleged by the complainant. As such, the OIG deemed the allegation to be not sustained.