

CITY COLLEGES[®]
OF CHICAGO

JULY 1, 2025 - DECEMBER 31, 2025

Office of the Inspector General
BI-ANNUAL REPORT



Lamesha Smith
Inspector General
City Colleges of Chicago

CITY COLLEGES[®]
OF CHICAGO

To: Juan Salgado, Chancellor
Katya Nuques, Chair of the Board of Trustees
Rev. Dr. Marshall Elijah Hatch, Sr., Vice-Chair of the Board of Trustees
Princella “Jaribu” Lee, LMSW, Secretary of the Board of Trustees
Darlene Oliver Hightower, J.D., Trustee
Oscar Sanchez, Trustee
Dr. Kafi Moragne-Patterson, Trustee
Fernando Diaz, Trustee
Widedji Deguenon, Student Trustee

From: Lamesha Smith, Inspector General

Date: February 24, 2026

RE: Office of the Inspector General *Bi-Annual Report* for the period of July 1, 2025 through December 31, 2025

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 July 1, 2025 through December 31, 2025. Pursuant to Article 2.7.5, the *Bi-Annual Report* for the period of July 1st through December 31st is required no later than March 1st each year.

Article 2.7 et seq. of the Board Bylaws authorizes the Office of the Inspector General 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 Office of the Inspector General 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

The Office of the Inspector General (“OIG”) for the City Colleges of Chicago (“CCC”) has the authority to conduct investigations regarding waste, fraud and misconduct by any officer, employee, member of the Board;¹ any contractor, subcontractor, consultant or agent providing or seeking to provide goods or services to CCC; and any program administered or funded by the District² or Colleges.³

The full scope of the powers and duties of the OIG can be found in Article 2.7 of the Bylaws of the Board of Trustees, which can be accessed here: <https://www.ccc.edu/departments/Documents/Board%20Bylaws.pdf>.

Mission of the Office of the Inspector General

The OIG for 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.

¹ Under Article 1.1 of the Bylaws of the Board of Trustees, the Board refers to the Board of Trustees of the Community College District No. 508, County of Cook, State of Illinois.

² Under Article 1.1 of the Bylaws of the Board of Trustees, the District refers to the Community College District No. 508.

³ Under Article 1.1 of the Bylaws of the Board of Trustees, the Colleges refer collectively to the seven separately accredited colleges which make up CCC.

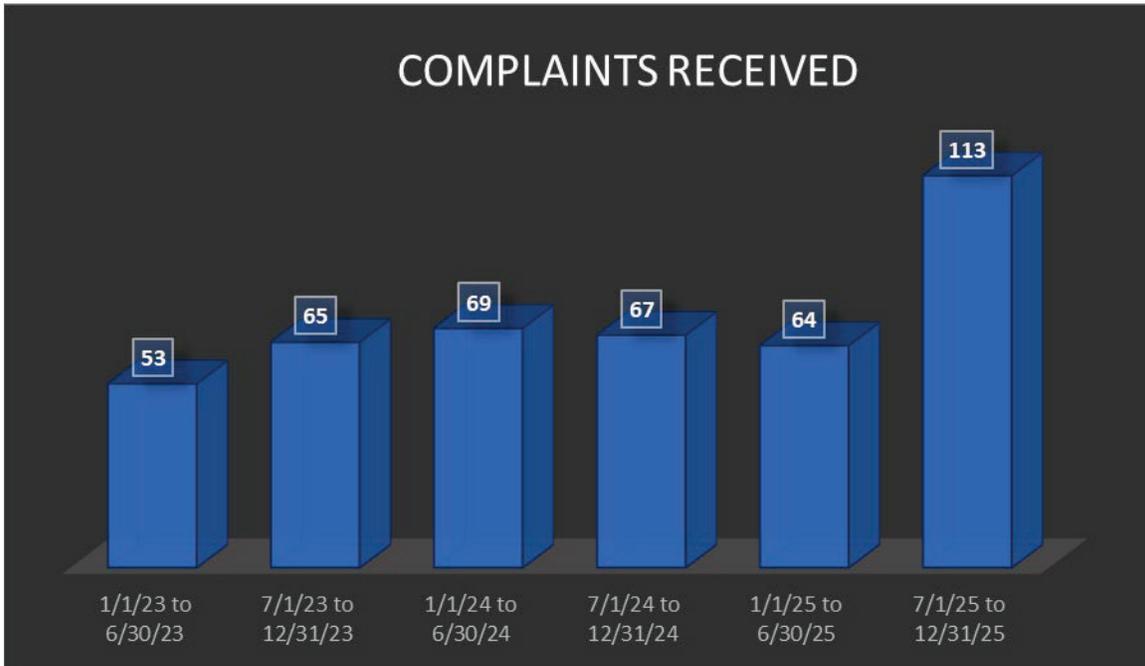
Make a Confidential Complaint

Anyone can make a confidential complaint regarding waste, fraud and misconduct involving CCC programs, Board members, officials, employees, or those doing or seeking to do business with CCC in any manner with which they are comfortable, including the methods listed below:

- **Submitting** a confidential complaint online via the following link, <https://apps.ccc.edu/EmailSupport/ConfidentialComplaintForm.aspx>
- **Sending** an e-mail to InspectorGeneral@ccc.edu
- **Calling** the OIG Fraud Hotline at (312) 553-3399
- **Mailing** a letter to:
The Office of the Inspector General
City Colleges of Chicago
740 North Sedgwick Street
Suite 310
Chicago, Illinois 60654
- **Making** an in-person complaint at 740 North Sedgwick Street, Suite 310

Complaints Received

For the period of July 1, 2025 to December 31, 2025, the OIG received 113 complaints. The following table documents the complaints received by the OIG during the current and previous reporting periods.



The 113 complaints received represent a variety of subject matters. The following table documents the subject matters of the complaints received.

Subject Matter of Complaints Received from July 1, 2025 to December 31, 2025		
Subject Matter (Allegation)	Number	Percentage
Drinking Alcohol During Working Hours	1	0.88%
Falsification of Records	1	0.88%
Grade Appeal	1	0.88%
Hostile Work Environment	1	0.88%
Retaliation	1	0.88%
Use of CCC Resources for Unauthorized Purposes	1	0.88%
Unknown	1	0.88%
Conduct Unbecoming a Public Employee	2	1.77%
Violation of CCC Drug-Free Workforce Policy	2	1.77%
Violation of CCC Outside Employment Policy	2	1.77%
Fraud	3	2.65%
Discrimination	4	3.54%
Violation of CCC Residency Policy	4	3.54%
Violation of CCC Ethics Policy	5	4.42%
Discourteous Treatment	6	5.31%
Falsification of Attendance Records	6	5.31%
Unfair Treatment	7	6.19%
Inattention to Duty	10	8.85%
Preferential Treatment	13	11.50%
Engaging in Conduct in Violation of the Illinois Compiled Statutes	42 ⁴	37.17%
Total	113	100%

Status of Complaints

As reported in the previous *Bi-Annual Report*, as of June 30, 2025, the OIG had 57 pending complaints, meaning that the OIG was in the process of conducting investigations regarding these complaints. During the period of July 1, 2025 through December 31, 2025, the OIG closed 107 complaints. The following chart categorizes the reasons that the OIG closed the 107 complaints during the period of July 1, 2025 through December 31, 2025.

⁴ Regarding the allegation of engaging in conduct in violation of the Illinois Compiled Statutes, 39 of these 42 complaints were from various complainants regarding the same subject and alleged incident. The subject of the 39 complaints is no longer a City Colleges of Chicago employee, which was not the result of an OIG investigation.

Complaints Closed Between July 1, 2025 through December 31, 2025		
Reason Closed	Number	Percentage
Sustained	2	1.87%
Subject Inactive	6	5.61%
Duplicate Complaint	26	24.30%
Administratively Closed	4	3.74%
Complaint Included with Another Active Investigation	10	9.35%
Referred / Deferred	32	29.91%
Not Sustained / No Policy Violation	27	25.23%
Total	107	100%

Regarding the complaints closed during the period of July 1, 2025 to December 31, 2025, the table below documents the average number of calendar days between the date that the complaints were received and the date that the complaints were 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 (January 1, 2025 to June 30, 2025).⁵

Average Calendar Days to Close				
Reason Closed	1/1/25 to 6/30/25		7/1/25 to 12/31/25	
	Number	Average Calendar Days to Close	Number	Average Calendar Days to Close
Sustained	2	478	2	594
Completed Board Mandated Audit	1	143	-	-
Not Sustained / No Policy Violation	26	324	27	466
Referred / Deferred	16	8	32	8
Subject Inactive	2	447	6	251
Duplicate Complaint	4	1	26	0
Complaint Included with an Active Investigation	12	2	10	1
Administratively Closed	9	38	4	41
Totals	72		107	

As of December 31, 2025, the OIG had 58 pending investigations.

⁵ 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 or the Deputy Inspector General and then 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 Bylaws of the Board of Trustees.

OIG Reports Submitted – July 1, 2025 through December 31, 2025

During the reporting period of July 1, 2025 to December 31, 2025, the OIG submitted two reports.⁶ The two reports were regarding sustained findings of waste, fraud and/or misconduct.

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

OIG Case Number 24-0002

The OIG completed an investigation of two former CCC employees, a program director and an outreach worker, as well as a CCC vendor, which will be referenced herein as Company 1, and its principal, who was also the outreach worker.

The OIG received a complaint regarding various allegations against the program director, including that the program under the program director's management was misusing federal grant funds. The program director's employment with CCC later ended due to an elimination of the position. Subsequently, the OIG received another complaint. This complaint alleged that CCC staff members who ran and worked in the program department of the program director used grant funds to contract with an outside vendor, Company 1, in which the staff members were also employed. The complaint alleged that CCC staff members were using grant funds to pay themselves in their other jobs with the vendor.

As background, Company 1 became a CCC vendor in 2022. The principal of Company 1 self-identified to CCC as the President and CEO of Company 1. Subsequently, the principal became a CCC employee as an outreach worker. The outreach worker was later terminated from CCC employment due to elimination of the position.

The OIG investigation revealed the following:

- The program director participated in the making of a decision with respect to a matter in which the program director had a special interest, in violation of the CCC Ethics Policy, as outlined in Article 5.2.10(1) of the Board Policies and Procedures for Management and Government, which in turn is a violation of Section IV(44) of the CCC District-Wide Employee Manual, in that the program director recommended the retention of Company 1 as a vendor for the program, while the program director served as the chief operating officer of Company 1.

⁶ Pursuant to Article 2.7.3 of the Bylaws of the Board of Trustees, the Inspector General submits reports to the Chancellor, the Board Chairperson, and the General Counsel at the conclusion of an investigation with recommendations for disciplinary or other action.

- Based on the above finding, the program director engaged in conduct unbecoming a public employee, in violation of Section IV(50) of the CCC District-Wide Employee Manual.
- The principal of Company 1 made a misrepresentation to a governmental entity and committed an act of dishonesty in pre-qualifying for a Board contract in violation of Article 5.3.3(j) of the Board Policies and Procedures for Management and Government, in that the principal failed to name the program director on Company 1's Economic Disclosure Statement for CCC as Company 1's chief operating officer or director.
- The principal of Company 1 made a misrepresentation to a governmental entity and committed an act of dishonesty in pre-qualifying for a Board contract in violation of Article 5.3.3(j) of the Board Policies and Procedures for Management and Government, in that the principal failed to disclose that the program director had a special interest in Company 1 matters on Company 1's Economic Disclosure Statement for CCC.
- The principal of Company 1 failed to cooperate with an OIG investigation in violation of Article 5.3.3(g) of the Board Policies and Procedures for Management and Government and Article 2.7.4(b) of the Board Bylaws, in that the principal failed to appear for an OIG interview on three separate dates.

Based on the investigation, the OIG recommended the following:

1. The OIG recommended that the program director be designated as ineligible to be re-hired and that the program director's personnel records reflect this designation.
2. The OIG recommended that CCC initiates the process to permanently debar Company 1 and its principal from doing any future business with CCC pursuant to the CCC Debarment Policy of Article 5.3 *et seq.* of the Board Policies and Procedures for Management and Government.
3. The OIG further recommended that, considering the outreach worker's misconduct as a CCC vendor, the outreach worker, who is also the principal of Company 1, be designated as ineligible to be re-hired and that the outreach worker's personnel records reflect this designation.

Subsequently, based on the OIG recommendations, the following occurred:

1. The program director was designated as ineligible to be re-hired, and the program director's personnel records now reflect this designation.

2. Effective December 4, 2025, the Board of Trustees approved the permanent debarment of Company 1 and the principal of Company 1 from doing any future business with CCC. This permanent debarment is documented in Board Report 35709.
3. The outreach worker was designated as ineligible to re-hired, and the outreach worker's personnel records now reflect this designation.

OIG Case Number 25-0005

The OIG received a complaint alleging that a dean assigned to a City College resided outside the City of Chicago. The OIG investigation revealed that the dean resided in Elmhurst, 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 dean falsified employment records, in that the dean fraudulently affirmed on CCC residency certification forms that the dean resided in Chicago, Illinois, when in fact the dean resided in Elmhurst, Illinois, in violation of Section IV(11) of the CCC District-Wide Employee Manual.

Based on the OIG investigation, the OIG recommended the following:

1. After being notified that the OIG requested the dean's presence for an interview and advised that the subject matter of the interview was residency, the dean resigned from employment with CCC. As such, and based on the OIG investigation, the OIG recommended that the dean be designated as ineligible to be re-hired and that the dean's personnel records reflect this designation.
2. During the course of learning about the dean's resignation, the OIG obtained an email that the dean sent to numerous CCC employees, indicating that it was their last day with CCC; however, the dean hoped to continue to be of service to CCC as a consultant/contractor. The OIG did not find a CCC written policy specifically barring former employees who were terminated and/or designated ineligible to be re-hired for misconduct from receiving CCC business through the procurement process as contractors and vendors. However, the OIG asserted that it would not be prudent for a former employee found to have engaged in misconduct leading to termination and/or a do not re-hire designation to then become a CCC vendor, sub-contractor, supplier, or any other role related to a CCC contract. The OIG asserted that it would obviously be perverse for those who commit misconduct against CCC as

employees to then be rewarded with procurement dollars from CCC. As such, the OIG recommended that the Office of Human Resources, in collaboration with the Office of Business and Procurement Services, consider adopting a formal, written policy that would bar any CCC employees terminated and/or designated ineligible to be re-hired for misconduct, and any entities where any such former employees may serve as principals, from receiving CCC business through the procurement process.

Subsequently, based on the OIG recommendations, the following occurred:

1. The dean was designated as ineligible to be re-hired, and the dean's personnel records now reflect this designation.
2. Regarding OIG Recommendation #2 outlined above, on October 6, 2025, the Vice Chancellor of Business and Procurement Services and the Chief Talent Officer provided a response to Recommendation #2, which is reproduced, in pertinent part, below.

As part of our collaborative discussion, we are proposing the following solutions:

- All Managers will receive notification concerning the rule that employees are not to work in dual roles as both employee and contractors.
- A scenario will be added to the ethics training that explains employees (whether active or terminated for any reason) are not to work as contractors. If they are aware of an employee or ex-employee working or attempting to work as a contractor, they should notify the VC Procurement and/or Chief Talent Officer to handle. This will be one of the test questions as well.

Current practices include:

Vendor applications ask the following questions: *Are you a current CCC employee? Have you ever been a CCC employee?* (recently added), the EDS form also requires the listing of officers as well as certification regarding "yes or no" to the interest in CCC Business. In the event that such certification is marked as yes, additional inquiry as to the nature of this business will be required and determination as to the approval of the application after such inquiry has been completed will be decided.

Ethics training is a yearly requirement. All active employees, both full and part-time are required to complete the training in order to maintain employment with the district.

Procurement has the debarment process that is followed for vendors that violate CCC policy.

Further, we do not believe that this activity is widespread throughout the organization. Most employees are not bad actors contributing to such practices. With that said, the best way to monitor such an activity would require automation. In our discussions, we have been unable to produce similar identifying information within both systems that would allow for such automation across the system. It has been determined that at this time, this action would create a hardship on the departments and require additional staffing to maintain this review. Due to what we perceive as limited impact on CCC for these actions, we are not recommending an automated process for this. We will continue to monitor our current systems and ensure that staff complete trainings in place towards the awareness of CCC policies. This former employee has been marked as do not rehire in the HR system and Procurement will monitor systems to ensure the business associated with the individual is not approved in our PeopleSoft system.

After reviewing the above response to Recommendation #2 from the Vice Chancellor of Business and Procurement Services and the Chief Talent Officer, on October 7, 2025, the OIG responded, in pertinent part, as follows.

After reviewing the response, the OIG continues to advise, as outlined in Recommendation #2, that a formal, written policy is adopted that would bar any City Colleges of Chicago employees terminated and/or designated ineligible to be re-hired for **misconduct** (emphasis added), and any entities where any such former employees may serve as principals, from receiving City Colleges of Chicago business through the procurement process. Even though such situations may not be widespread, a formal and written policy would ensure that in the event such a situation does arise, there is a clear policy, and the City Colleges of Chicago has a basis for taking appropriate action, including initiating the debarment process.

The OIG appreciates the concern expressed in the October 6, 2025 response regarding the efficient use of limited

resources and the potential for creating a hardship. In its report, the OIG did not recommend a specific method of monitoring compliance with the proposed policy set forth above, once adopted. The response indicated that automation would be the best monitoring method. The OIG would, however, encourage the City Colleges of Chicago to consider whether such a policy could be implemented and monitored through vendor applicant self-reporting rather than through automation.⁷

Regarding the proposed solutions as outlined in the response, the OIG urges that the notification to managers and the planned Ethics Training scenario are specific and clearly align with current City Colleges of Chicago policies. This is based on the following:

- The OIG did not find a current City Colleges of Chicago policy which broadly prohibits active or terminated employees from doing business with the City Colleges of Chicago as contractors. The OIG has not recommended such a broad policy. Indeed, existing City Colleges of Chicago policies include at least one instance where active employees may contract with the City Colleges of Chicago. According to the City Colleges of Chicago Ethics Policy, as outlined in the Board Policies and Procedures for Management and Government, Article 5.2.11 – Interest in Board Business, generally, no employee may have a special interest in any contract, work or business of the Board. However, Article 5.2.11(3) provides for an exception in which an employee may contract with the Board. Specifically, Article 5.2.11(3) provides the following: “(a)n employee may contract with the Board for the delivery of goods or services where there is full disclosure of the contractor’s relationship to the Board and the Board gives its written consent.”
- The OIG is aware, and it is reasonable to believe that many City Colleges of Chicago employees as well as the public are aware, that former employees have worked as City Colleges of Chicago contractors. At this time, the OIG has no reason to recommend that all active or former employees are summarily prohibited from doing business with the City Colleges of Chicago as contractors. The focus of

⁷ The response indicated that the vendor applications ask the following questions: *Are you a current CCC employee? Have you ever been a CCC employee?* For those vendor applicants who disclose previous City Colleges of Chicago employment, staff could then take the additional step of verifying that the former employee was not terminated and/or designated ineligible to be rehired due to misconduct.

Recommendation #2 as outlined in OIG Report 25-0005 is regarding prohibiting former employees terminated and/or designated ineligible to be re-hired for misconduct (emphasis added), and any entities where any such former employees may serve as principals, from receiving City Colleges of Chicago business through the procurement process.

- The OIG believes that the proposed solutions as outlined in the response may cause confusion if they do not align with the City Colleges of Chicago's adopted, written policies, including the exception allowing active employees to contract with the Board discussed above. Additionally, because there is currently no formal, written City Colleges of Chicago policy prohibiting terminated employees from being contractors, there may not be a sufficient basis for including terminated employees in the Ethics Training scenario.

The OIG has not received a substantive response to the aforementioned OIG response. However, it should be noted that on November 3, 2025, CCC employees were notified of the requirement to complete the annual CCC Ethics Training by November 21, 2025. The Ethics Training did not include a scenario as proposed in the response to Recommendation #2 from the Vice Chancellor of Business and Procurement Services and the Chief Talent Officer. As outlined above, in its response, the OIG expressed concerns regarding such a proposed scenario being included in the CCC Ethics Training.

Update to Investigation Documented in Previous Bi-Annual Reports

Update regarding recommendation made during the January 1, 2025 to June 30, 2025 reporting period

- *OIG Case Number 24-0019*

The OIG initiated a complaint alleging that a full-time faculty member assigned to a City College resided outside of the City of Chicago. The OIG investigation revealed that the full-time faculty member resided in Tinley Park, 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 full-time faculty member falsified an employment record, in that on a CCC Annual Certification of Residency online form, the full-time faculty member fraudulently affirmed that the full-time faculty member resided in Chicago, Illinois, when in fact the full-time faculty member resided in Tinley Park, Illinois, in violation of Section IV(11) of the CCC District-Wide Employee Manual.

Based on the investigation, the OIG recommended that the full-time faculty member be terminated. The OIG further recommended that the full-time faculty member be designated ineligible to be re-hired and that the full-time faculty member's personnel records reflect this designation.

Subsequently, the full-time faculty member was placed on administrative leave pending Board approval of the decision to terminate the full-time faculty member as a result of a pre-disciplinary hearing. The day after being placed on administrative leave, the full-time faculty member resigned. The full-time faculty member was then designated ineligible to be re-hired, and the full-time faculty member's personnel records now reflect this designation.

Cover page photo: Adobe Stock