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

The jurisdiction of each Executive Inspector General is to investigate allegations of fraud, waste, abuse, mismanagement, misconduct, nonfeasance, misfeasance, malfeasance, or violations of this Act or violations of other related laws and rules.”

− State Officials and Employees Ethics Act, 5 ILCS 430/20-10(c)
EXECUTIVE INSPECTOR GENERAL'S MESSAGE

August 17, 2012

This annual report summarizes the important work of this office during the period of July 1, 2011 to June 30, 2012. It discloses, to the extent allowed by present law, the results of our investigations and the actions taken by various public entities and officials in response to our findings. This report also explains our other important duties, each of which is intended to improve the ethical climate within the public entities we serve, including monitoring employment practices, making “revolving door” employment determinations, and overseeing employee ethics training.

Since my appointment in September 2010, our staff has focused its efforts on efficiently and effectively fulfilling our statutory obligations. We have done so independently and without bias. The number of complaints of misconduct we have received has steadily grown from 1,171 in FY10 to 2,042 in FY11, to a record 2,492 in FY12. Consequently, we have focused our limited resources on investigating matters that:

- may have a high impact on the future conduct of state employees;
- expose systemic misconduct by numerous state employees or vendors;
- are complex and involve major fraud or misconduct;
- involve state employees that abuse their authority or state resources; or
- involve violations of the State Officials and Employees Ethics Act.

During FY12, we opened 155 investigations—up from 143 in FY11. We referred 2,030 complaints to agencies for their own handling—an increase of 20% over FY11. We referred matters that did not implicate the above-listed considerations and were more appropriately addressed by the affected agency, including customer service complaints. In FY12, 30 of our investigative reports containing findings of misconduct were publicly released, compared to 22 disclosed in FY11 and only 7 in FY10. Increased disclosure of our investigative reports provides Illinois citizens a bigger window into workings of government and greater assurance that public employee misconduct does not go undetected.

Despite our success, we continue to seek greater public disclosure of our investigative reports. Currently, the law limits the disclosure of our reports. We promise to continue to seek legislative changes to these restrictions because we believe disclosure of misconduct is in the public interest and serves as a strong deterrent to future wrongdoing.

If you have questions concerning this report, our functions, or if you have the need to report misconduct, we encourage you to contact our office.

Ricardo Meza
Executive Inspector General
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INTRODUCTION

The Office of Executive Inspector General for the Agencies of the Illinois Governor (OEIG) was created in December 2003 when the legislature enacted the State Officials and Employees Ethics Act. The OEIG investigates allegations of fraud, waste, abuse, mismanagement, misconduct, nonfeasance, misfeasance, malfeasance, or violations of the Ethics Act. The OEIG also investigates violations of other related laws and rules involving public employees, appointees, officials, and others doing business with entities under the OEIG’s jurisdiction.

JURISDICTION

The OEIG’s jurisdiction includes the governor; the lieutenant governor; approximately 350 executive branch state agencies, departments, and boards; the nine state public universities; and the four northeastern Illinois regional transit boards (the Regional Transportation Authority, the Chicago Transit Authority, Metra, and Pace).

MISSION

The OEIG is an independent executive branch state agency, which ensures accountability in state government, the state public universities, and the four regional transit boards. The OEIG’s primary function is to investigate allegations of misconduct and to report its findings and make related recommendations to affected public agencies and officials.

LEADERSHIP

Under the direction of the Executive Inspector General, the OEIG’s senior staff consists of:

- Cole S. Kain - Chief of Staff and General Counsel
- Susan Haling - Special Counsel
- Erin K. Bonales - Deputy Inspector General and Chief of Chicago Division
- Neil P. Olson - Deputy Inspector General and Chief of Springfield Division
- James J. Bonk - Chief of Regional Transit Board Investigative Division
- Rochelle Hardy - Chief Financial and Compliance Officer
- David E. Keahl - Director of Ethics Training and Compliance
- Wendy Washington - Director of Human Resources

PROGRAMS AND RESOURCES

The OEIG’s four primary programs are investigations, revolving door determinations, hiring monitoring, and ethics training and compliance. To enable efficient and timely investigations throughout the state, the OEIG maintains offices in Chicago and Springfield. Its staff of 65 full-time and
part-time employees includes assistant inspectors general, each of whom is licensed to practice law in Illinois. OEIG investigators include professionals with experience in local, state, and federal law enforcement agencies including the Drug Enforcement Administration, U.S. Postal Inspection Service, and the Internal Revenue Service, as well as former command officers or chiefs of municipal police departments and corporate investigators. Staff also includes computer forensic examiners, paralegals, accountants, information technology experts, and other professionals and support personnel.

**Program 1 – Investigations:**
As an investigative agency, the OEIG works to detect, identify, and eliminate waste, fraud, misconduct, mismanagement, and malfeasance. The OEIG receives complaints:

- via its toll-free telephone hotline;
- by U.S. mail;
- online via its website;
- by facsimile machine;
- by telecommunications device for the disabled; or
- in person at its Springfield or Chicago office.

The OEIG accepts complaints submitted anonymously. The OEIG also may initiate investigations of its own accord. In all instances, the identities of those who submit complaints are confidential and the OEIG takes every measure permissible under the law to ensure that complainants’ identities remain confidential.

To facilitate the collection of information, investigators interview witnesses, acquire documents, analyze financial records, conduct surveillance, perform forensic examinations of computers and electronic files, and utilize a variety of other investigatory tools and techniques. The OEIG may also use its subpoena power to acquire information when relevant to an investigation. Investigations are conducted in accordance with the OEIG’s Investigation Policy and Procedures Manual, administrative rules, internal policies, and all other applicable laws, rules, policies, and regulations.

In FY 2012, the OEIG completed 135 investigations.

**Program 2 – Revolving Door Determinations:**
The OEIG is responsible for determining whether public employees, appointees, and officials are prohibited, under certain circumstances, from accepting employment or compensation offers upon leaving public employment. This and other elements of the law are generally intended to prevent “revolving door” situations where public employees who participate in contract, licensing, or regulatory decisions leave their public positions to accept employment from an entity affected by those decisions.

In FY 2012, the OEIG made 103 revolving door determinations.
Program 3 – Hiring Monitoring:
The OEIG is responsible for reviewing hiring and employment files of each state agency under its jurisdiction to ensure compliance with *Rutan v Republican Party of Illinois*, 497 U.S. 62 (1990) and all applicable employment laws. The primary purpose of this program is to ensure that state agency hiring practices are fair and that public employment is generally available to all Illinois citizens based on their qualifications.

In FY 2012, the OEIG conducted several employment-related investigations.

Program 4 – Ethics Training and Compliance:
The Ethics Act requires individuals under the OEIG’s jurisdiction to complete ethics training. Specifically, the Ethics Act requires that:

- employees, appointees, and officials must complete ethics training at least annually; and
- new employees, appointees, and officials must complete initial ethics training within 30 days of the commencement of their employment or office.

In consultation with other agencies, the OEIG is responsible for overseeing ethics training for those individuals under its jurisdiction. Furthermore, the OEIG is responsible for setting standards and determining the hours and frequency of this training.

The OEIG’s ethics training program seeks to: educate employees, appointees, and officials regarding ethics-related laws and rules; alert them to how to reach their agencies’ ethics officers for guidance; and remind them of how they may report allegations of misconduct relating to their public employment.

In FY 2012, the OEIG oversaw more than 195,000 ethics training course sessions.
In FY 2012, the Illinois General Assembly appropriated a total of $7.8 million in funding for the OEIG. Of this amount, $5.8 million was appropriated from the General Revenue Fund. This represented a 17% reduction in GRF funding as compared to FY 2011.

In December 2011, the General Assembly appropriated to the OEIG $2.0 million in funding from the Public Transportation Fund. The $2.0 million was appropriated to support the OEIG’s expanded responsibility to serve as executive inspector general for the regional transit boards effective July 1, 2011.

BUDGET V. ACTUAL SPENDING

As reflected in the above chart, management of General Revenue Fund expenditures resulted in savings of $.5 million from the budgeted amount. Appropriations from the Public Transportation Fund are allocated only to regional transit board matters. Accordingly, at the start of FY 2012, the OEIG deferred hiring additional staff to investigate matters related to the regional transit boards until an appropriation was made from the Public Transportation Fund at mid-fiscal year. As a result, the OEIG spent only 15% of its mid-fiscal year authorized Public Transportation Fund appropriation.
HOW FUNDING WAS USED

As with many organizations, personnel or salary-related expenses account for the bulk (81%) of the OEIG’s operating expenditures.

### Operating Expenses FY 2011 v. FY 2012

<table>
<thead>
<tr>
<th></th>
<th>FY 11 (in thousands)</th>
<th>FY 12 (in thousands)</th>
</tr>
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<tbody>
<tr>
<td>Personnel</td>
<td>4,296</td>
<td>4,527</td>
</tr>
<tr>
<td>Leases, Vendors, and CMS Charge-Backs</td>
<td>801</td>
<td>841</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>96</td>
<td>98</td>
</tr>
<tr>
<td>Office Equipment</td>
<td>44</td>
<td>12</td>
</tr>
<tr>
<td>Automotive Repairs and Fuel</td>
<td>28</td>
<td>28</td>
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<tr>
<td>Printing and Office Supplies</td>
<td>25</td>
<td>35</td>
</tr>
<tr>
<td>Travel and Conferences</td>
<td>29</td>
<td>37</td>
</tr>
<tr>
<td>Other</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,328</strong></td>
<td><strong>5,584</strong></td>
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</table>

The second largest category of expenditures encompasses leases for office space, payroll charge-backs, vendor expenses for the OEIG’s ethics training learning management system, and telephone, information technology and office equipment.

BUDGETING FOR RESULTS

OEIG resources are used to conduct investigative and ethics oversight activities that seek to prevent waste and fraud or deter misconduct, and therefore, minimize the state’s financial risk. This risk has been reduced through OEIG investigations that have identified agencies and individuals who have:

- improperly received or granted state funds or resources;
- abused state resources including vehicles, telephones, and computers;
- falsified official documents;
- engaged in prohibited political activity;
- accepted prohibited gifts; and
- used drugs or alcohol while on state time.
In FY 2012, OEIG resources uncovered large-scale fraud involving grants issued by the Department of Children and Family Services and several other agencies. The investigation resulted in the resignation of the director of the DCFS, and the release of the investigative report prompted a joint legislative hearing where, among other things, changes to standard state contracting forms were proposed. These changes would require state vendors to cooperate in investigations and retain records related to their state work for an extended period of time.

| INITIATIVES |

INCREASE TRANSPARENCY IN GOVERNMENT

“In 2009, the General Assembly took a big step forward in increasing transparency in government when it amended the State Officials and Employees Ethics Act to allow investigative reports of the offices of executive inspectors general to be publicly released. However, these changes were not enough because only investigative reports involving employee terminations or suspensions of three or more days must be publicly released.” – Ricardo Meza, “Support proposal to boost transparency,” Daily Herald, February 24, 2012

Under an August 18, 2009 amendment to the State Officials and Employees Ethics Act, investigative reports wherein it is determined that reasonable cause exists to believe a violation of law, rule, policy, or regulation has occurred are **eligible** for public disclosure.

Public disclosure of OEIG reports is **mandated** when a public employee receives discipline resulting in termination of employment or suspension of three or more days.

Public disclosure is **not mandated** where misconduct is found to have occurred but the public employee’s employing agency does not terminate the individual or suspend him or her for at least three days.

In instances where it is **not mandated** that a report be disclosed, only the Executive Ethics Commission has authority to determine whether to publicly disclose executive inspectors general reports.

In FY 2012, 30 OEIG reports were publicly disclosed. Publicly disclosed reports result in greater public awareness of public employee misconduct and the actions taken by their employers in response. Disclosures have been amplified by news media coverage, including articles or opinions published by, among others, the:

- Chicago Tribune
- Chicago Daily Law Bulletin
- Chicago Sun-Times
- Daily Herald
- Huffington Post
- News-Gazette
- Northwest Herald
- Quad-Cities Online
- Rockford Register Star
- State Journal Register
- St. Louis Post-Dispatch
- USA Today
The number of reports disclosed in FY 2012 (30) compares favorably to the number disclosed in FY 2011 (22) and the number disclosed in FY 2010 (7). The increase reflects the OEIG’s emphasis on investigating impactful matters. The OEIG supports the public disclosure of more of its investigative findings and has actively sought changes to the law.

ESTABLISH EXECUTIVE INSPECTOR GENERAL FUNCTIONS FOR REGIONAL TRANSIT BOARDS

As an outgrowth of the public disclosure of financial and management irregularities at Metra, the commuter rail agency for northeastern Illinois, legislation was enacted in early 2011 authorizing the OEIG to function as executive inspector general for all four of the region’s public transit boards (the Regional Transportation Authority, the Chicago Transit Authority, Metra, and Pace). Since the law took effect July 1, 2011, the OEIG has exercised its authority to conduct investigations and provide oversight of employee ethics training with respect to the approximately 15,000 employees of the transit boards.

The OEIG has exclusive jurisdiction to investigate alleged violations of the Ethics Act and at its discretion, may investigate any other complaints or allegations of misconduct involving the transit boards. A regional transit board may appoint or employ an inspector general; however, that inspector general is required to provide monthly activity reports to the OEIG, and the OEIG may assume responsibility for any investigation from a transit board inspector general.

In December 2011, the General Assembly appropriated $2 million for the OEIG’s transit board-related duties from the Public Transportation Fund. Using that funding, the OEIG established a Regional Transit Board (RTB) Investigative Division, solely devoted to investigating allegations of fraud, waste, and abuse involving the transit boards. Led by a division chief and deputy chief/assistant inspector general, the division includes an additional assistant inspector general and investigators who, on a combined basis, have over 40 years of investigative experience in law enforcement and other government agencies.

During FY 2012, the RTB Investigative Division:

- reviewed and analyzed 388 complaints;
- opened 32 investigations;
- closed 10 investigations; and
- had 22 investigations pending at year end.
RTB Investigative Division staff members attend meetings of the regional transit boards and their committees. Division staff members also work with the Chicago Transit Authority’s Office of Inspector General to review and provide oversight to pending CTA-related investigations. In FY 2012, the OEIG also held outreach and educational meetings with transit board senior staff, their ethics officers, and legal counsel for certain of their labor unions.

In June 2012, the OEIG launched an RTB Investigative Division tab on its website to provide useful information about the division including frequently asked questions and answers. Additional information related specifically to the RTB Investigative Division may be found on the web at: http://www2.illinois.gov/oeig/Pages/RTB_Division.aspx.

**ENHANCE EFFICIENCY AND EFFECTIVENESS**

**Resource Allocation:** As with most state agencies, the OEIG has limited resources. In light of this fact, the OEIG has created criteria for determining whether to open or refer a matter for investigation. The OEIG has focused its limited resources on investigative activities that:

- may significantly and positively impact the future conduct of state employees;
- expose systematic misconduct by public employees or vendors;
- relate to major fraud or misconduct;
- involve state employees who abuse their authority or state resources; or
- involve violations of the Ethics Act.

By carefully focusing its resources, the OEIG has successfully managed its investigative caseload and prevented unreasonable growth in its backlog of work, despite assuming responsibility to act as executive inspector general for the Regional Transportation Authority, CTA, Metra, and Pace.

As illustrated below, the OEIG has reduced the number of:

- pending investigations from 263 in FY 2011 to 122 in FY 2012; and
- investigations which have been pending for six months or more from a high of 128 in FY 2011 to 63 at the end of FY 2012.
Continuing Education and Recruitment: The OEIG is committed to improving the efficiency and effectiveness of its operations and staff. Its continuing education programs seek to:

- better ensure compliance with applicable laws and rules; and
- promote employee professionalism and development.

Newly hired employees participate in a structured training program to learn about OEIG policies and procedures, the office’s statutory obligations, and applicable administrative rules. In addition, new investigators and attorneys are assigned to a tenured training officer or mentor to ensure their rapid assimilation into the organization.

Among other training, all staff participated in a two-day training conference, which addressed the professional responsibilities of attorneys, trial advocacy concepts, Rutan hiring practices, project and time management, investigative policies, and administrative hearings. Investigative staff members periodically participate in half-day training sessions led by the executive inspector general, which involve mock investigative interviews, discussion of policies and rules, or recent decisions and opinions affecting the OEIG. Employees also attend professional training on topics specific to their respective positions, such as:

- techniques of interviewing and interrogation;
- hotline operations;
- continuing legal education;
- public corruption investigations;
- project management methodology;
- certified inspector general investigations;
- strategic management of regulatory and enforcement agencies;
- Leads management systems documentation; and
- MS Windows forensics.
The OEIG’s FY 2012 recruitment efforts led to the hiring of 19 new employees to accommodate attrition, changes in organizational structure, and to fulfill the OEIG’s new role as executive inspector general for the regional transit boards. Recruitment efforts included participation in the:

- October 2011 Illinois Association of Hispanic State Employees Job Fair;
- November 2011 John Marshall Law School Career Fair;
- February 2012 University of Illinois-Springfield Job Fair; and
- February 2012 Illinois State University Job Fair.

PROMOTE ETHICAL AWARENESS

outreach | newsletter | internships | ethics officers

**Outreach:** Transparency and outreach are important to the OEIG. Therefore, OEIG staff members frequently engage in activities to promote an ethical culture within the entities under the OEIG’s jurisdiction and elsewhere. During the fiscal year, OEIG employees:

- made presentations at the Executive Ethics Commission’s annual ethics officers conference;
- addressed various state board and commission meetings;
- implemented initial employee ethics training for the employees and appointees of the Regional Transportation Authority, CTA, Metra, and Pace;
- provided accredited continuing legal education sessions to state agency general counsel;
- hosted a meeting of the six Illinois executive and legislative inspectors general;
- addressed inspectors general and other officials from the Turkish Interior Ministry;
- met with prosecutors, investigators, and judges from the Czech Republic;
- met with a delegation of government officials from the Peoples Republic of China;
- hosted a meeting with the inspector general for the State of Ohio;
- participated in and hosted meetings involving the Association of Inspectors General;
- addressed the State of Illinois Internal Audit Advisory Board;
- provided continuing legal education instruction to the Illinois Government Bar Association;
- testified before the Chicago Ethics Task Force;
- met with senior managers of state agencies and state public universities;
- met with members of the General Assembly;
- met with newspaper editorial boards; and
- submitted letters to various newspapers on ethics-related matters.
**Monthly Electronic Newsletter:**

The OEIG produces a one-page electronic newsletter, *Illinois Ethics Matters*, which is distributed to over 800 individuals. In many instances, the newsletter is further disseminated by its direct recipients to inform others of ethics-related issues. The newsletter typically addresses publicly released investigative reports, changes or proposed changes to ethics-related laws or rules, and other timely ethics-related information affecting public employees under the OEIG’s jurisdiction. In FY 2012, the OEIG issued 12 monthly editions and one special-edition of the newsletter.

**Internship Program:**

The OEIG’s Internship Program offers students an opportunity to apply what they have learned in the classroom to the investigative functions of the office. For example, interns may conduct legal research, draft memoranda, or assist in writing or reviewing investigative reports. Investigative interns must be junior, senior, or graduate level students in good academic standing enrolled in an accredited college or university program related to criminal justice, public administration, or a related discipline. Legal interns must be enrolled in an accredited law school. OEIG staff includes former participants in the Internship Program.

**Assist and Coordinate Ethics Officers:**

The OEIG has established a program under which it meets periodically with ethics officers. This program includes an objective to meet with newly designated ethics officers within two weeks of their appointment. These meetings are intended to explain the responsibilities of the OEIG, discuss how ethics officers typically interact with the OEIG, provide guidance concerning state employee ethics training administration, and furnish answers to ethics officers’ questions. The OEIG held sessions with each of the ethics officers for the regional transit boards, for eight of the nine state public universities, and for various other state agencies, including large entities like the Department of Human Services and the Department of Corrections, and relatively small agencies like the Illinois Math and Science Academy. In total, the OEIG held outreach meetings with more than 30 ethics officers during FY 2012 to support the state’s ethics initiatives.
Investigations are most often initiated in response to the OEIG’s receipt of a complaint of alleged misconduct submitted to it by a public employee, vendor, or citizen.

Among other means, complaints of misconduct may be submitted in person at the OEIG’s Springfield or Chicago office.

| INVESTIGATIVE ACTIVITIES |

OVERVIEW
Each complaint is evaluated to determine if the OEIG has jurisdiction and if the matter warrants investigation or referral, or if investigation should be declined. Most matters investigated by the OEIG are summarized in a written report including, when appropriate, recommended disciplinary action. Investigative reports are provided to affected public entities and appropriate jurisdictional authorities. The OEIG does not have enforcement authority with respect to its recommendations and, therefore, it is an investigative subject’s public employer that in most instances has discretion to take action in response to an OEIG investigative report. In instances where the OEIG finds that a violation of the Ethics Act has occurred, it may request that the Office of the Illinois Attorney General file a complaint regarding the matter with the Executive Ethics Commission.

PROCESS AND PERFORMANCE

The number of complaints received annually increased by 22% during FY 2012. Each complaint received by the OEIG is evaluated and generally categorized for:

- investigation;
- declination; or
- referral.

<table>
<thead>
<tr>
<th>Complaints Received</th>
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<tr>
<td>FY 12</td>
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<tr>
<td>FY 11</td>
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<td>FY 10</td>
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Initial Treatment of Complaints Received During Fiscal Year*

<table>
<thead>
<tr>
<th></th>
<th>FY 11</th>
<th>FY 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opened Investigation</td>
<td>143</td>
<td>143</td>
</tr>
<tr>
<td>Declined</td>
<td>281</td>
<td>228</td>
</tr>
<tr>
<td>Referred</td>
<td>1558</td>
<td>2012</td>
</tr>
<tr>
<td>Closed w/o Report or Pending Review</td>
<td>59</td>
<td>109</td>
</tr>
<tr>
<td>Total Received</td>
<td>2041</td>
<td>2492</td>
</tr>
</tbody>
</table>

* This chart reflects the disposition of complaints received during a given fiscal year. For example, during FY 12 the OEIG opened 143 investigations related to complaints received during FY 12. As noted earlier in this report, the OEIG opened a total of 155 investigations during FY 12, 12 of which were based on complaints received prior to FY 12.

A complaint may be declined for various reasons including, for example, if it does not allege a violation of a law, rule, policy, or regulation or if insufficient information is provided. Complaints may be referred to others for investigation or other appropriate action in instances where the OEIG lacks jurisdiction or when the matter is more appropriately resolved by another agency. Complaints alleging criminal activity are referred to law enforcement or criminal prosecutors.
Reports Issued During FY 12

| Reports of Founded Allegation(s) | 38 |
| Reports of Unfounded Allegation(s) | 79 |
| Total Reports Issued | 117 |

Unless closed without report, each investigation requires the OEIG to determine if each related allegation is either founded or unfounded. When the OEIG determines that reasonable cause exists to believe that a violation of law, rule, policy, or regulation has occurred, an allegation is deemed to be founded. In instances where such reasonable cause does not exist, the allegation is deemed to be unfounded. In all cases, except for those closed without report, the OEIG prepares a written report summarizing the background, investigative steps taken, facts uncovered, and the OEIG’s determination.

Investigations Closed Without Report During FY 12

| Investigations Closed Without Report | 18 |

Under certain circumstances an investigation may be closed without report. For example, an investigation may be closed without report if it is subsequently determined that the OEIG does not have the statutory authority to investigate the matter because the events giving rise to the allegation occurred more than one year prior to filing of the complaint. An investigation may also be closed without report if it is referred to another entity because of facts learned after the investigation has started.

OEIG RECOMMENDATIONS AND AGENCY RESPONSES

Primary OEIG Recommendation by Type

(number of instances in 38 founded cases)

- Discipline 11
- Counseling 10
- Termination 9
- None* 6
- Policy Change 2

*for example, when the investigation’s subject is no longer a public employee

When an investigation is completed, the OEIG issues a written report which documents:

- the allegations of misconduct;
- facts confirmed by the investigation;
- an analysis of the facts in comparison to the law, rule, or regulation; and
- findings and recommendations.
Affected public entities have the discretion to adopt OEIG’s recommendations, which may include:

- employee termination;
- nonspecific disciplinary action;
- counseling or reminder to follow policy; or
- change of agency policy or practice.

Some agency actions taken in response to OEIG recommendations are made apparent by public disclosure of investigative reports and related correspondence.

Examples of state agency actions disclosed in response to an OEIG investigative report include:

“We will be notifying [the] Assyrian National Council of Illinois that we will be recouping funds they received ($35,728.70) as identified in the OEIG Final Report.” – Gale S. Thetford, General Counsel, Illinois Department on Aging, August 4, 2011

“Allowing an employee to submit a resignation with no reinstatement rights can be advantageous to the Department because it avoids the possibility that the discharge will be overturned during the grievance process.” – Michelle R.B. Saddler, Secretary, Illinois Department of Human Services, September 27, 2011

“While the result was something less than discharge, it did involve the imposition of a 30-day suspension without pay as discipline for the conduct outlined in CMS’s charges. Further, the settlement called for a directed job transfer within the Illinois EPA, with the hope being that future conflict could be averted and that Mr. Mileur could [be] put into a productive position. Finally, the Illinois EPA agreed to pay Mr. Mileur 20 calendar days of back pay, such that no future claims for wages or back pay would be considered.” – John J. Kim, Interim Director, Illinois Environmental Protection Agency, December 11, 2011

“As a means of settlement without the benefit and costs associated with arbitration[,] AFSCME Council #31 suggested a resolution prior to arbitration (settlement) in which AFSCME Council #31 would withdraw the grievance and in exchange[,] DFPR[,] through CMS labor relations[,] would permit Mr. Schmalholz to retire without right of reinstatement in lieu of discharge.

This settlement offer when viewed in its totality served two distinct principles. The first, Mr. Schmalholz would no longer be employed by DFPR, and second[,] the state would be spared from the time, effort and costs associated with arbitration proceedings.” – Richard DiDomenico, Senior Deputy General Counsel, Illinois Department of Financial and Professional Regulation, February 22, 2012

“This letter is to inform you that IDOT has accepted Mr. Stout’s resignation which is effective December 31, 2011.” – Jeff Heck, Acting Director of the Office of Quality Compliance and Review, Illinois Department of Transportation, December 16, 2011
Agency Responses to OEIG Recommendations FY12

Primary Agency Action in 9 Instances When OEIG Recommended an Employee’s Termination:

- Accepted employee’s resignation 5
- Termination 2
- Awaiting Civil Service Commission decision 1
- Referred to attorney general 1
- Total 9

Primary Agency Action in 11 Instances When OEIG Recommended an Employee’s Discipline:

- Discipline 6
- Counseling 2
- Termination 1
- Awaiting agency response 2
- Total 11

Primary Agency Action in 10 Instances When OEIG Recommended an Employee’s Counseling:

- Counseling 5
- Discipline 2
- No action taken 1
- Awaiting agency response 2
- Total 10

Primary Agency Action in 2 Instances When OEIG Recommended an Agency’s Policy Change:

- Policy Change 2
- Total 2
CRIMINAL REFERRALS

In FY 2012, the OEIG referred 82 matters to law enforcement agencies such as the Office of the Illinois Attorney General and the U.S. Attorney’s Office. Criminal referrals may or may not result in prosecutions.

As an example, the OEIG made a criminal referral to the Office of the Illinois Attorney General, which successfully prosecuted former Illinois Department of Human Services employee Margarita Lopez. On March 9, 2012, the Office of the Illinois Attorney General obtained a conviction of Ms. Lopez on all counts, including:

- mail fraud;
- wire fraud;
- official misconduct (based on wire fraud); and
- intimidation.

| EXECUTIVE ETHICS COMMISSION DECISIONS

The Executive Ethics Commission (EEC) consists of nine compensated commissioners. Five commissioners are appointed by the governor, and one commissioner each is appointed by the attorney general, secretary of state, comptroller, and treasurer. No more than five commissioners may be of the same political party. The commission is required to meet at least once each month to perform its statutory duties. These duties include:

- conducting administrative hearings on alleged violations of the Ethics Act;
- preparing public information to facilitate compliance with ethics laws;
- providing guidance to ethics officers;
- receiving reports of activity from executive inspectors general;
- receiving reports of ex parte communications from ethics officers; and
- overseeing annual ethics training for all employees of the executive branch of state government.

The OEIG, the EEC, and the Office of the Illinois Attorney General each play a role in the enforcement of the State Officials and Employees Ethics Act. If, upon the conclusion of an investigation, the OEIG determines that reasonable cause exists to believe a violation of the Ethics Act has occurred and the OEIG deems it appropriate to file a complaint with the EEC, the OEIG will submit its report and supporting documents to the Illinois attorney general.

If the attorney general determines that reasonable cause exists to believe a violation of the Ethics
Act has occurred, the attorney general may file a complaint before the EEC as counsel for the OEIG. The complaint must be filed within 18 months of the violation unless there is reasonable cause to believe that fraudulent concealment of the violation has occurred. A copy of the complaint is served upon the subject, who then has 30 days to file an objection with the EEC. After this 30-day period has expired, the members of the EEC meet to review the sufficiency of the complaint.

If the EEC determines that the complaint sufficiently alleges a violation, it issues a notice of a hearing date, which cannot be more than four weeks after the notice is sent, unless otherwise agreed to by all parties. Hearings typically are conducted before a hearing officer appointed by the EEC. The attorney general (representing the OEIG) and the subject may present testimony and evidence. Each of the commissioners of the EEC receives a transcript of the hearing, and the EEC has 60 days from the conclusion of the hearing (or the date the last post-hearing brief is due) to render a decision.

In FY 2012, the OEIG referred six matters involving alleged violations of the Ethics Act to the attorney general for possible prosecution before the EEC. The attorney general declined to prosecute two and four remain under consideration.

**Number of EEC Decisions Regarding Ethics Act Violations**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Number of Decisions</th>
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<tbody>
<tr>
<td>FY 12</td>
<td>4</td>
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<tr>
<td>FY 11</td>
<td>12</td>
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<tr>
<td>FY 10</td>
<td>8</td>
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During FY 2012, the EEC issued rulings related to four complaints filed on behalf of the OEIG in prior fiscal years. Summaries of the four decisions follow:

**Meza v. Stermer (11-EEC-010)**

On August 1, 2011, the Executive Ethics Commission issued its decision in Meza v. Stermer. It found that former Chief of Staff Jerome Stermer of the Governor’s Office violated the Ethics Act. Mr. Stermer stipulated to the fact that he misappropriated his state-issued cellular telephone to prepare and review responses to a candidate questionnaire in connection with a campaign for elective office. Mr. Stermer was fined $500.

**Meza v. Harts (11-EEC-004)**

On August 8, 2011, the Executive Ethics Commission issued its decision in Meza v. Harts. It found that Illinois Gaming Board employee Kathy Harts violated the Ethics Act when she obstructed an investigation by intentionally making specific false statements to OEIG investigators who were conducting an investigation pursuant to the Act. Ms. Harts was fined $750.
Meza v. Rush (11-EEC-013)

On May 1, 2012, the Executive Ethics Commission issued its decision in Meza v. Rush. The commission found that Ms. Rush intentionally omitted information and made statements to OEIG investigators that she knew to be false, including, among others, that she did not fabricate, and did not know anything about the fabrication of a document submitted in connection with her application for a home mortgage that falsely purported to be a State Retirement Systems document. Ms. Rush was fined $500.

Meza v. van den Dries (11-EEC-009)

On June 25, 2012, the Executive Ethics Commission issued its decision in Meza v. van den Dries. The commission found that Mr. van den Dries, a tenured professor at the University of Illinois, intentionally failed, during multiple years, to complete annual state employee ethics training as required under state law. The OEIG’s investigation revealed various communications between Mr. van den Dries and the university regarding this matter, including an email Mr. van den Dries sent in response to the university’s request to meet with him in which he stated:

“My understanding is that as a tenured faculty member I am a citizen of an academic community rather than an employee, certainly in matters of this nature. Citizenship is incompatible with mandatory annual “ethics training.”

Mr. van den Dries stipulated to facts relating to this investigation and agreed to take future ethics training. Mr. van den Dries was fined $500.

“As a ’citizen of an academic community,’ Professor van den Dries should strive to set a positive example for himself, students and others, and complying with state laws, including ethics laws, is a step in the right direction.”

– Cole Kain, OEIG Chief of Staff and General Counsel, “Professor fined over ‘Orwellian’ ethics training,” chicagotribune.com, June 26, 2012
As amended in 2009, the Ethics Act mandates the Executive Ethics Commission to make public those OEIG reports concerning circumstances for which a public employee received discipline consisting of termination or a suspension of three or more days. The commission has discretion to publicly release OEIG reports related to matters for which a public employee did not receive at least a three-day suspension. The commission may redact OEIG reports that the commission makes public. Redacted information may include the identities of complainants, witnesses, or informants, or any other information the commission believes should not be made public.

During the 2012 fiscal year, the commission publicly released 30 redacted OEIG reports in which misconduct was identified. Summaries of these reports follow:

**In Re: Brian Adams** (Case 09-01090)

On August 1, 2011, a redacted version of an OEIG report concerning Illinois Department of Juvenile Justice employee Brian Adams was publicly disclosed. The OEIG found that Mr. Adams engaged in prohibited political activity by misappropriating his state email account and computer to send a message soliciting votes for candidates for elective office. Furthermore, Mr. Adams did so during state-compensated time. These actions are violations of the Ethics Act and Mr. Adams’s improper use of his state email account and computer also violated his agency’s policies. Mr. Adams was suspended for 10 days without pay.

**In Re: Vinod Gupta** (Case 10-00323)

On August 1, 2011, a redacted version of an OEIG report concerning Illinois Department of Transportation employee Vinod Gupta was publicly disclosed. The OEIG found that Mr. Gupta engaged in prohibited political activity by misappropriating his state email account for the benefit of a candidate for elective office. Furthermore, Mr. Gupta was found to have violated his department’s policies by excessively using his state email account for purposes unrelated to his work. The OEIG did not recommend disciplinary action against Mr. Gupta because he retired and under the circumstances, the OEIG did not request that the Illinois attorney general file a complaint with the Executive Ethics Commission.

**In Re: Antonio Jones** (Case 10-00166)

On August 1, 2011, a redacted version of an OEIG report concerning Illinois Department of Corrections employee Antonio Jones was publicly disclosed. The OEIG found that, for a corrections parole agent proficiency examination, Mr. Jones brought notes into the testing area contained answers to almost all of the exam questions.
The Department of Corrections terminated Mr. Jones’s employment.

In Re: Normajean Niebur and Bobbie Fults (Case 10-00095)

On August 1, 2011, a redacted version of an OEIG report concerning University of Illinois-Springfield employees Normajean Niebur and Bobbie Fults was publicly disclosed. The OEIG found that Ms. Niebur and Ms. Fults each engaged in prohibited political activity by misappropriating their state computers for purposes related to a campaign for elective office. Both employees were disciplined by the university.

In Re: Alvin Forbes (Case 10-01167)

On August 25, 2011, a redacted version of an OEIG report concerning Illinois Department of Human Rights employee Alvin Forbes was publicly disclosed. The OEIG found that Mr. Forbes engaged in prohibited political activity by misappropriating a state computer and email account to distribute an email message to individuals soliciting their support for candidates for elective office. Furthermore, Mr. Forbes was found to have violated his agency’s policies by using this state computer for other than department business. Mr. Forbes received an oral reprimand from DHR.

In Re: Tressa Hoffman (Case 10-00832)

On September 1, 2011, a redacted version of an OEIG report concerning Illinois Department of Natural Resources employee Tressa Hoffman was publicly disclosed. The OEIG found that Ms. Hoffman violated the gift ban provisions of the Ethics Act by aiding the intentional solicitation of a gift from an entity regulated by her department. Furthermore, it was found that Ms. Hoffman violated department policy when she conducted personal business on state time and improperly used department resources. Ms. Hoffman was suspended by her department.

In Re: Eric Knuth (Case 08-00687)

On September 1, 2011, a redacted version of an OEIG report concerning Eastern Illinois University employees Eric Knuth and others was publicly disclosed. Mr. Knuth and others were found to have made personal use of university computers and email and to have abused university time. Furthermore, various university employees did not ensure that subordinates accurately reported time and two employees did not regularly conduct subordinate performance evaluations.

The OEIG recommended that Mr. Knuth be discharged with no right to reinstatement with any state agency for his: (1) personal use of university computers and email, particularly his having used a state computer to obtain and store over 1,600 pornographic images and over 300 animated images of children engaging in sexual activity on his university computer;
and (2) abuse of time. Mr. Knuth and another university employee were
suspended for two days, several other employees received reprimands,
and the university implemented changes to its policies related to work time
requirements and use of university computers. Mr. Knuth also awaits trial
on criminal charges related to images discovered on a separate computer.

**In Re: Lee A. Coleman** (Case 10-00008)

On October 14, 2011, a redacted version of an OEIG report concerning
Illinois Department of Transportation employee Lee A. Coleman II was
publicly disclosed. Mr. Coleman failed to complete a notice of outside
employment and created a conflict of interest in violation of department
policy. Mr. Coleman was suspended for six working days.

**In Re: Erwin McEwen, et al.** (Case 10-01182)

On October 14, 2011, a redacted version of an OEIG report concerning
an Illinois Department of Children and Family Services grantee and
Director Erwin McEwen was publicly disclosed. This investigation was jointly
conducted by the OEIG and the DCFS inspector general. The investigation
revealed that DCFS grantee Dr. George E. Smith violated the Illinois False
Claims Act by:

- knowingly presenting documents containing forged signatures;
- knowingly presenting false or fraudulent client verification sheets;
- submitting documents concealing funds;
- submitting and accepting multiple payments he was not entitled to;
- and
- failing to properly account for grant funds.

The investigation also disclosed that Mr. McEwen violated the Illinois Fiscal
Control and Internal Auditing Act when he:

- failed to be responsible for effectively and efficiently managing
  DCFS and establishing and maintaining an effective system of
  internal control;
- failed to ensure that there were internal controls to assure that
  funds, property, and other assets and resources were safeguarded
  against waste, loss, unauthorized use, and misappropriation; and
- failed in his responsibility to ensure that grants were monitored,
  administered, and accounted for in accordance with applicable
  laws and regulations.

Furthermore, Mr. McEwen was found to have violated the Ethics Act by
failing to cooperate with investigators.

Additionally, the OEIG found that various employees of Chicago State
University failed to properly monitor public grants.
The OEIG and the DCFS inspector general recommended:

- the State of Illinois seek civil recovery and criminal prosecution for fraudulent billing practices of Dr. Smith;
- the State of Illinois permanently bar Dr. Smith from ever being awarded a state grant or contract;
- the State of Illinois take immediate action to acquire a refund of all grants awarded to Dr. Smith or his business entities;
- the governor and his advisor on child welfare take actions to ensure that DCFS is managed in compliance with state law;
- DCFS Deputy Director Daniel Fitzgerald, Deputy Director Frances Elbert, and Business Manager Darlene Cannon be disciplined;
- Chicago State University Interim Dean Dr. Yvonne Harris be disciplined; and
- DCFS add numerous safeguards to its training and procedures regarding its contracts and grants.

Mr. McEwen resigned as DCFS director and the investigative report was referred to the Office of the Illinois Attorney General. Furthermore, steps were taken to bar Dr. Smith and his business entities from being awarded future state grants and contracts, and to recover all grant funds previously awarded to Dr. Smith or his entities. DCFS employee Daniel Fitzgerald received a written reprimand. DCFS employee Frances Elbert was suspended. DCFS employee Darlene Cannon received a written reprimand and corrective counseling. Finally, Chicago State University employee Yvonne Harris received a one-day suspension.

In related activity, the Human Services Committee and the State Government Administration Committee of the Illinois House of Representatives subsequently held a joint hearing to discuss the findings in the investigative report. (For more information, see p. 40 of this report.)

In Re: Darrell Ross (Case 10-00134)

On October 14, 2011, a redacted version of an OEIG report concerning Western Illinois University Professor Darrell Ross was publicly disclosed. The OEIG found that Mr. Ross violated the Ethics Act’s prohibited political activities provisions by misappropriating his university email account. Mr. Ross left state employment and the OEIG recommended to the university that if Mr. Ross is rehired, he be counseled against the use of state resources for prohibited political purposes.

In Re: Michael Stout (Case 10-00381)

On October 14, 2011, a redacted version of an OEIG report concerning Illinois Department of Transportation Director of the Division of Traffic Safety Michael Stout was publicly disclosed. OEIG investigators obtained and examined copies of Mr. Stout’s IDOT computer network folder and his IDOT computer hard drive. A review of these records revealed numerous
The OEIG found that Mr. Stout did not disclose his outside employment with the Southern and Central Illinois Laborers’ District Council in violation of IDOT policies. Furthermore, the OEIG found that Mr. Stout used:

- his state vehicle for unauthorized purposes;
- his state equipment for personal business; and
- benefit time improperly and in violation of IDOT policies.

The OEIG recommended that Mr. Stout be disciplined and that IDOT consider seeking restitution from Mr. Stout equal to the value of benefit time for which he did not seek appropriate approval. The department issued Mr. Stout a letter of reprimand; counseled him regarding its vehicle usage program, outside employment policy, and computer usage policy; corrected his benefit time usage to account for time for which he failed to submit leave requests; and obtained an outside employment form from him.

In Re: Assyrian National Council of Illinois (Case 10-00259)

On November 21, 2011, a redacted version of an OEIG report concerning an Illinois Department on Aging service provider, the Assyrian National Council of Illinois (ANCi), was publicly disclosed. ANCI is a non-profit organization that provides in-home care services, such as assistance with meals, housekeeping, shopping, and home maintenance, to its clients. ANCI receives reimbursement for in-home services it provides to eligible clients from the Illinois Department on Aging.

The OEIG found that ANCI employees executed and submitted to their ANCI supervisors multiple false timesheets which were later used by ANCI to obtain state funds in violation of the Illinois Administrative Code and ANCI’s agreement with the state. Furthermore, the OEIG found that ANCI employee Fiuna Hawel and ANCI Director Isho Lilou submitted false requests for reimbursement by the Illinois Department on Aging in violation of the Illinois Administrative Code and ANCI’s agreement with the state.

The Illinois Department on Aging agreed to seek recoupment of more than $35,000 from ANCI.

In Re: Medesa Dickerson, et al. (Case 10-00100)

On November 21, 2011, a redacted version of an OEIG report concerning Illinois Department of Human Services employees Medesa Dickerson, Pamela Clay-Wilson, and Dawn Laga was publicly disclosed. The OEIG found that Ms. Dickerson, Ms. Clay-Wilson, and Ms. Laga each approved funding for non-essential expenditures made by individuals seeking educational and vocational assistance from the department. Among other
findings, the OEIG found that Ms. Dickerson approved numerous vocational rehabilitation service expenditures in violation of a rule requiring that certain expenditures be essential to the client’s employment objectives. Every open file existing in the local office contained improper expenditures. Ms. Dickerson is no longer employed with the state and will not be considered for future employment. Ms. Clay-Wilson and Ms. Laga were suspended.

**In Re: Harry Elston** (Case 10-00438)

On November 21, 2011, a redacted version of an OEIG report concerning Illinois Emergency Management Agency employee Harry Elston was publicly disclosed. The OEIG found that Mr. Elston engaged in secondary employment that conflicted with his state work hours in violation of his agency’s policy. Mr. Elston performed work as editor of the *Journal of Chemical Health and Safety* and as owner of Midwest Chemical using state time and resources. Furthermore, Mr. Elston was found to have referenced his state employment in an advertisement for his private business in violation of his agency’s policies. Mr. Elston was suspended for five days.

**In Re: Anthony Hawkins** (Case 10-01591)

On November 21, 2011, a redacted version of an OEIG report concerning Illinois Department of Human Services employee Anthony Hawkins was publicly disclosed. The OEIG found that Mr. Hawkins sexually harassed multiple DHS clients in violation of DHS policy and in violation of DHS directives. Mr. Hawkins’s conduct also violated DHS policy on employee personal conduct. The OEIG recommended that Mr. Hawkins be discharged. Mr. Hawkins agreed to resign.

**In Re: Diane Hopkins** (Case 10-00336)

On November 21, 2011, a redacted version of an OEIG report concerning Illinois Department of Human Services employee Diane Hopkins was publicly disclosed. The OEIG found that Ms. Hopkins:

- inappropriately issued an Illinois Link card;
- used DHS resources to access information for personal use;
- used state benefits to which she was not entitled; and
- failed to cooperate with the OEIG investigation.

In addition, the OEIG found that food stamp recipient Orlando Hopkins violated food stamp program regulations by:

- failing to report his incarceration;
- facilitating the unauthorized use of food stamp benefits; and
- misusing food stamp benefits.
The OEIG recommended that DHS terminate Ms. Hopkins and that it recoup benefits that she misappropriated. The OEIG also referred its case to the Illinois attorney general for possible prosecution of Ms. Hopkins for benefits fraud. Furthermore, the OEIG recommended that DHS take whatever remedial action is prescribed by statute or regulation with regard to Mr. Hopkins. Ms. Hopkins’s employment was terminated by DHS and it sought reimbursement of misappropriated benefits.

In Re: Cynthia Joiner (Case 09-00127)

On November 21, 2011, a redacted version of an OEIG report concerning Illinois Department of Human Services employee Cynthia Joiner was publicly disclosed. The OEIG found that Ms. Joiner improperly billed the state and obtained payments for mileage accrued in rental vehicles which were paid for by the state. The OEIG also found that Ms. Joiner falsified travel requests by misrepresenting the status of supervisory approval. The OEIG recommended that Ms. Joiner be discharged and that DHS seek reimbursement from Ms. Joiner for an estimated $5,600. The OEIG also referred this matter to the Illinois attorney general. Ms. Joiner was terminated.

In Re: Gladys Muniz (Case 10-00167)

On February 10, 2012, a redacted version of an OEIG report concerning Illinois Department of Human Services employee Gladys Muniz was publicly disclosed. The OEIG found that Ms. Muniz violated DHS policies by failing to have DHS clients sign for receipt of Link benefits cards and failing to deliver associated Personal Identification Numbers to clients as required by policy. Ms. Muniz resigned her state position and therefore, the OEIG did not make a disciplinary recommendation.

In Re: Litvak, et al. (Case 08-00310)

On February 22, 2012, a redacted version of an OEIG report concerning Illinois Department of Human Services employee Jordan Litvak and others was publicly disclosed. The OEIG found that employees Jordan Litvak and Patrick Knepler violated the Illinois Administrative Code by failing to follow sound fiscal standards regarding DHS’s business relationship with one of its service providers following the service provider’s Medicaid decertification and fraud conviction. Furthermore, the OEIG found that Robert Vyverberg violated the Illinois Administrative Code by failing to follow sound fiscal standards regarding his supervision of Mr. Knepler and Mr. Litvak. The OEIG found that Lorrie Rickman-Jones violated the Illinois Administrative
Code by authorizing the service provider's agreement with the state despite having been informed of the provider's conviction for eighteen felonies. The OEIG recommended that Mr. Litvak and Mr. Knepler be disciplined and that Mr. Vyverberg and Ms. Rickman-Jones be counseled. DHS counseled each employee.

**In Re: Robert Couch** (Case 11-01196)

On March 8, 2012, a redacted version of an OEIG report concerning Illinois Department of Veterans' Affairs employee Robert Couch was publicly disclosed. The OEIG found that Mr. Couch falsely certified his employment history to obtain a promotion to stationary engineer. The OEIG recommended that Mr. Couch be discharged. Mr. Couch resigned.

**In Re: Robert Mileur** (Case 10-01246)

On March 8, 2012, a redacted version of an OEIG report concerning Illinois Environmental Protection Agency employee Robert Mileur was publicly disclosed. The OEIG found that Mr. Mileur knowingly submitted false IEPA reports. Furthermore, it was found that Mr. Mileur undermined the integrity of IEPA inspections and brought discredit to the IEPA by criticizing the qualifications and inspections of another IEPA employee, thus jeopardizing potential administrative or criminal actions resulting from that employee's inspections. Mr. Mileur's criticisms were found to have no basis in fact. The OEIG recommended that Mr. Mileur be discharged.

Although discharged by the IEPA, pursuant to a settlement in a proceeding before the Illinois Civil Service Commission, Mr. Mileur was reinstated to IEPA employment.

**In Re: Solomon Oriaikhi** (Case 10-00464)

On March 9, 2012, a redacted version of an OEIG report concerning Illinois Department of Human Services employee Solomon Oriaikhi was publicly disclosed. The OEIG found that Mr. Oriaikhi improperly directed two of his subordinates to violate DHS guidelines by expediting payments to a company co-owned by Mr. Oriaikhi's wife. Furthermore, the OEIG found that Mr. Oriaikhi misused his DHS laptop computer to store personal files, access his personal email account, and purchase personal items. Mr. Oriaikhi left state employment and therefore, the OEIG recommended that DHS prohibit Mr. Oriaikhi from obtaining future DHS employment.

**In Re: Illinois Department of Transportation** (Case 08-01116)

On April 25, 2012, a redacted version of an OEIG report concerning the Illinois Department of Transportation was publicly disclosed. The OEIG found that IDOT improperly made payments to fiscal agents for a Summer Youth Employment Program without ensuring that the employment activities of the program complied with contracts between the state and the five fiscal agents despite the problems that became readily apparent when IDOT received time sheets and reports.
fiscal agents who were charged with administering the program.

Furthermore, the OEIG found that IDOT improperly used monies from its budget, which were authorized for the limited purpose of transportation-related activities, to fund Summer Youth Employment Program activities that were not transportation-related. IDOT has taken steps to recover unsupported or improper payments.

**In Re: Robert Schmalholz** (Case 10-01026)

On April 25, 2012, a redacted version of an OEIG report concerning Illinois Department of Financial and Professional Regulation investigator Robert Schmalholz was publicly disclosed. The OEIG found that Mr. Schmalholz violated various department policies subsequent to his arrest and the confiscation of his IDFPR-duty firearms by the Carol Stream Police Department. Among other things, Mr. Schmalholz:

- failed to report his arrest to IDFPR;
- continued to perform his job duties, which required him to carry a firearm, despite not having a firearm;
- violated the Firearms Owners Identification (FOID) Act by possessing a firearm with an expired FOID card; and
- violated department policy by carrying a firearm without a valid FOID card.

Mr. Schmalholz resigned.

**In Re: Joseph Trickey, et al.** (Case 11-00125)

On April 25, 2012, a redacted version of an OEIG report concerning three Northern Illinois University employees, including Joseph Trickey, was publicly disclosed. The OEIG found that two student workers submitted falsified time sheets and that Mr. Trickey, their supervisor, signed their time sheets, which he knew were falsified. Mr. Trickey received a three-day suspension and the others received letters of reprimand.

**In Re: Michael Stout** (Case 10-00605)

On May 10, 2012, a redacted version of an OEIG report concerning Illinois Department of Transportation Director of the Division of Traffic Safety Michael Stout was publicly disclosed. The OEIG’s investigation revealed that Mr. Stout engaged in numerous counts of official misconduct, violations of IDOT policy, and violations of the Ethics Act. Mr. Stout used his position to obtain free passes to a NASCAR event. Although intended for state business purposes, Mr. Stout provided some passes to others, including acquaintances, who did not use the passes for state business purposes.

Furthermore, Mr. Stout made false statements to a state vendor to improperly obtain NASCAR event passes. Mr. Stout also failed to cooperate with the OEIG investigation by, among other things, knowingly
making false statements to investigators.

In light of the OEIG’s prior investigation of Mr. Stout (see publicly released report in case #10-00381), the OEIG’s previous disciplinary recommendations regarding Mr. Stout, and the nature of the misconduct uncovered in this investigation, the OEIG recommended that Mr. Stout be discharged for:

- engaging in official misconduct;
- misappropriating IDOT property;
- using his official position for personal gain;
- engaging in conduct that could undermine citizens’ confidence in their state government; and
- knowingly making false statements to OEIG investigators.

Mr. Stout resigned.

In Re: Dorian Jones (Case 11-00855)

On May 29, 2012, a redacted version of an OEIG report concerning Illinois Department of Public Health Deputy Director Dorian Jones, who serves as its chief information officer, was publicly disclosed. The OEIG found that Mr. Jones improperly submitted a proposal to award an IDPH contract to a company in which he had a financial interest. The OEIG’s investigation revealed that Mr. Jones failed to report his outside employment and submitted false Statement of Economic Interests forms. Specifically, Mr. Jones was found to have violated IDPH policies by:

- engaging in conduct that constituted an apparent conflict of interest;
- failing to report outside employment; and
- submitting Statement of Economic Interests forms that contained false information.

Mr. Jones was suspended for 10 days and placed on a corrective action plan.

In Re: Lawrence Stone (Case 10-00228)

On May 29, 2012, a redacted version of an OEIG report concerning former State Employees’ Retirement System Chief Internal Auditor Lawrence Stone was publicly disclosed. Mr. Stone was found to have violated SERS policies regarding the use of state time and resources. Mr. Stone also misused state resources including its email system for purposes of his secondary employment with the University of Illinois-Springfield.

Mr. Stone received a 20-day suspension.
In Re: Jimmie Miller (Case 11-01052)

On June 22, 2012, a redacted version of an OEIG report concerning former Illinois Department of Veterans' Affairs Human Resources Manager Jimmie Miller was publicly disclosed. Mr. Miller was found to have violated executive and administrative orders in failing to follow proper hiring practices.

The investigation revealed that Mr. Miller failed to follow IDVA selection criteria related to the hiring of 2011 summer workers in that he did not give certain disabled student candidates preference for positions. Instead, Mr. Miller hand-picked candidates to fill positions even before interviewing candidates legitimately subject to preference in the hiring process.

Furthermore, Mr. Miller violated IDVA's Code of Conduct by falsifying employment records and violated the signature authority granted to him by signing multiple documents that he was not authorized to sign.

Mr. Miller resigned.

In Re: Daniel Reardon and James Crane (Case 10-00043)

On June 22, 2012, a redacted version of an OEIG report concerning Illinois Department of Corrections parole agents Daniel Reardon and James Crane was publicly disclosed. The OEIG found that Mr. Reardon and Mr. Crane impermissibly accessed and impermissibly released confidential parolee data. Furthermore, the OEIG found that Mr. Reardon and Mr. Crane violated the Ethics Act and IDOC policies related to employee conduct by failing to cooperate with OEIG investigators.

Because Mr. Crane retired prior to the conclusion of the OEIG's investigation, the OEIG recommended that a copy of its final report be kept in his personnel file in the event that he applies for future employment with IDOC. The OEIG recommended that Mr. Reardon be terminated. Mr. Reardon subsequently retired.

In Re: Daniel Reardon and James Crane

“This investigation is not and was not about the MGT Push program. Simply put, this investigation was about the unlawful access and dissemination of confidential information. Illinois citizens have every reason to expect that information in State databases required to be kept confidential is in fact kept confidential regardless of whether the information is health care related, involves private wage information, an individual’s social security number or in this case, parolee information.”

— statement by Executive Inspector General Ricardo Meza
In FY 2012, the OEIG made 103 revolving door determinations. In making a determination, the OEIG must evaluate whether in the year preceding the termination of state employment an employee participated personally and substantially in a contract award or licensing or regulatory decision directly affecting the prospective employer, its parent or subsidiary. Matters considered in making a determination include, but are not limited to, whether the employee:

- participated primarily or directly on a matter involving his or her prospective employer;
- engaged in activities that were merely ministerial or procedural in nature;
- possessed decision making authority; or
- had the ability to influence an ultimate decision relating to his or her prospective employer.

If the OEIG finds the employee personally and substantially participated in a contract award or licensing or regulatory decision, it will also consider the effect of the prospective employment or relationship upon those decisions based on the totality of the participation by the employee. The OEIG must make its determination within 10 calendar days of receiving notice.

The affected employee or the Illinois attorney general may appeal an OEIG determination to the Executive Ethics Commission. On appeal, the commission is required to solicit and accept public comments. The OEIG has submitted comments in five of the six appeals noted below.

On June 19, 2012, the OEIG issued a memo to state employees outlining the factors OEIG staff uses to make revolving door determinations. The memo is available on the OEIG website under the Revolving Door tab (http://www2.illinois.gov/oeig/Pages/revolving.aspx).

In FY 2012, the commission heard six appeals of OEIG determinations, five of which were filed by the attorney general:

**In Re: Ariana Jaupi (Case 12-EEC-001)**

On June 29, 2011, the OEIG determined former Illinois State Toll Highway Authority employee Ariana Jaupi did not have any personal or substantial involvement in the award of state contracts or in any regulatory or licensing decision with respect to City Colleges of Chicago, with whom Ms.
Jaupi had accepted post-state employment. The OEIG also determined, however, that she was “ineligible” to accept the employment opportunity with City Colleges, by virtue of the fact that the Ethics Act required her to give notice to the OEIG prior to accepting the offer.

Ms. Jaupi appealed.

On July 15, 2011, the commission upheld the OEIG’s determination that Ms. Jaupi did not have any personal or substantial involvement in the award of any state contracts or in any regulatory or licensing decisions involving City Colleges. The commission ruled, however, that her failure to timely notify the OEIG did not render her ineligible to accept the employment.

*In Re: April Lasker* (Case 12-EEC-006)

On April 24, 2012, the OEIG determined that former Illinois Housing Development Authority employee April Lasker was not restricted from accepting employment with the DuPage Housing Authority (DHA).

The Office of the Illinois Attorney General appealed.

On March 15, 2012, the commission vacated the OEIG’s determination, ruling that Ms. Lasker would violate the Ethics Act if she accepted the employment offer from DHA. The commission found that Ms. Lasker’s proposed employment would violate the Ethics Act, due to the totality of her participation in decisions related to the award of a state contract with a cumulative value of $25,000 or more to the DHA within one year of her termination of state employment.

Ms. Lasker subsequently appealed the EEC’s decision to the Illinois Circuit Court.

*In Re: Samuel Shiel* (Case 12-EEC-007)

On March 8, 2012, the OEIG determined that former Illinois Department of Financial and Professional Regulation employee Samuel Shiel was not restricted from accepting employment with Title Resources Guaranty (TRG).

The Office of the Illinois Attorney General appealed.

On March 26, 2012, the commission affirmed the OEIG’s determination, noting that after another employee retired, Mr. Shiel completed processing TRG’s application to conduct title insurance business by, among other things, following up on previous requests for documents and mailing the certificate of authority to TRG. The commission also noted that the application had been approved before Mr. Shiel participated in the process, and that Mr. Shiel had previously worked for a company affiliated with TRG.
In Re: Eva M. Byerley (Case 12-EEC-008)

On March 9, 2012, the OEIG determined that former Illinois Department of Public Health employee Eva M. Byerley was not restricted from accepting employment with S.I.R Management, Inc. (S.I.R.).

The Office of the Illinois Attorney General appealed.

On March 29, 2012, the Executive Ethics Commission affirmed the OEIG’s determination. The commission noted that although Ms. Byerley made regulatory or licensing decisions with respect to clients of S.I.R., she did not participate personally and substantially in making regulatory or licensing decisions that directly applied to S.I.R., its parent or subsidiaries.

In Re: Pauline J. Clements (Case 12-EEC-010)

On April 20, 2012 the OEIG determined that former Illinois Department of Public Health employee Pauline J. Clements was not restricted from accepting employment with Country Health Care and Rehab Center (Country Health).

The Office of the Illinois Attorney General appealed.

On May 10, 2012, the commission vacated the OEIG’s determination, holding that Ms. Clements would violate the Ethics Act if she accepted part-time employment with Country Health, because within one year prior to her retirement Ms. Clements participated personally and substantially in licensing or regulatory decisions when she coordinated a team that conducted a license and certification survey of Country Health and also participated in a follow-up licensing survey.

In Re: Marcia D. Johnson (Case 12-EEC-012)

On May 2, 2012, the OEIG determined Illinois State Board of Education employee Marcia D. Johnson was not restricted from accepting employment with the School Association of Special Education of DuPage County.

The Office of the Illinois Attorney General appealed.

On May 24, 2012, the commission issued a ruling vacating the OEIG’s determination, holding that Ms. Johnson would violate the Ethics Act if she accepted the employment opportunity. The commission held that Ms. Johnson participated personally and substantially in the award of a contract to the prospective employer within one year prior to her proposed employment, because she was one of five ISBE employees who scored a grant application from her prospective employer.
Prior to deciding the merits of the appeal, the commission ruled that even though the Ethics Act states that the OEIG’s determinations may be appealed “no later than the 10th calendar day after the date of the determination,” the Illinois Statute on Statutes provides that if the 10th day is a Saturday, Sunday or holiday, then an appeal may be filed the next business day.

| LEGISLATIVE ACTION |

The OEIG actively participated in the legislative process by initiating legislation, taking part in legislative hearings, and working with members of the General Assembly to ensure that the OEIG has the resources and authority to best fulfill its obligations to the citizens of Illinois.

LEGISLATIVE ACTIVITIES:

**Ethics Training Compliance:** Introduced by State Representative Fred Crespo (44th District) on October 11, 2011, House Bill 3830 would have set a minimum fine of $250 for state employees, appointees, and officials who fail to complete mandatory ethics training on a timely basis. This bill was not called for a vote in the House of Representatives during the spring 2012 session, but the OEIG continues to support its objective to promote ethics training compliance.

“Like most laws, the Ethics Act was not perfect as enacted...Under the current ethics laws, only investigative reports involving employee terminations or suspensions of three or more days must be publicly released. For example, current law did not require the full release of an investigative report involving fraud relating to more than $18 million of state grants, because no employee was terminated and only one received a suspension of at least three days.”


**Transparency:** Introduced by State Representative Fred Crespo (44th District) on October 11, 2011, House Bill 3831, subsequently identified as House Bill 4066, would have given each of the state’s five executive inspectors general the discretion to release certain investigative reports to the public when there is a finding of misconduct against a public official or employee. The legislation would have amended the Ethics Act to allow the inspectors general to release redacted versions of their own reports only in the event the Executive Ethics Commission decided not to disclose a report. The legislation was introduced because under the Ethics Act, the commission’s mandatory publication of an executive inspector general’s investigative report hinges on the severity of the discipline imposed by a public employee’s agency. Reports must be publicly disclosed only when an employee is terminated or suspended for three or more days.

Investigative reports **not required to be publicly disclosed** by the commission include, for example, those relating to the following circumstances:

- **Employee resignations:** Reports wherein employees are found to have engaged in misconduct and then resign are not required to be publicly disclosed, because a resignation is not a “termination,” which is a trigger for mandatory publication. A recent example is former Illinois Department of Children and Family Services Director Erwin McEwen, who resigned
after an OEIG investigation concerning, among other serious matters, $18 million in improperly managed state grants. The public would not have been made aware of the systemic fraud uncovered had the commission not opted to exercise its discretionary authority to publish the investigative report.

- **Suspensions of less than three days:** Instances involving employees suspended for fewer than three days do not trigger mandatory publication. If an agency seeks to avoid public scrutiny it may impose a two-day suspension and if the commission opts not to exercise its discretionary authority to release the report, the public may never be made aware of the misconduct.

- **Alternative Discipline:** Agencies that impose discipline that is serious but not contemplated by the Ethics Act, may avoid mandatory publication. For example, if an agency docks an employee a month’s salary, it may not be considered a suspension and if the commission opts not to exercise its discretionary authority to release the report, the public may never be made aware of the misconduct.

- **No Discipline:** In instances where significant misconduct, mismanagement, or waste is uncovered but no discipline is imposed because the individual is an appointee or opts to resign or retire from employment, and if the commission opts not to exercise its discretionary authority to release the report, the public may never be made aware of the misconduct.

In response to concerns of other stakeholders, the OEIG worked with the legislature and its staff to revise the proposed legislation to expand the types of reports subject to mandatory publication in lieu of statutory changes that would have given executive inspectors general discretion to release founded reports. Representative Crespo introduced this proposal in House Amendment #1 to House Bill 4191 on March 27, 2012. Although this bill made it through the earliest stages of the legislative process, it eventually stalled. The OEIG will continue to support legislative efforts to promote increased transparency in state government through the release of more investigative reports where misconduct has been found.

**Revolving Door:** On October 25, 2011, Executive Inspector General Ricardo Meza testified before the Executive Committee of the Illinois House of Representatives regarding House Amendment #1 to House Bill 358. Under House Amendment #1, certain individuals would be exempted from revolving door restrictions if offered employment with a federal, state, or local governmental unit.

Executive Inspector General Meza explained to the committee that the amendment weakened the provisions of the Ethics Act by unnecessarily exempting a class of individuals from having their employment offers reviewed by the OEIG. House Amendment #1 was eventually discarded in favor of a more narrow amendment. Both the House and Senate approved the less expansive exemption to the revolving door provision of the Ethics Act, and the final version of the bill was signed into law by Governor Quinn on January 13, 2012.
**DCFS:** In October 2011, an OEIG investigative report concerning large-scale fraud by a grantee of the Illinois Department of Children and Family Services and several other state agencies was publicly released. The report resulted from a joint investigation by the OEIG and the Office of the Inspector General for DCFS. The public release of the report prompted a joint hearing of the Human Services Committee and State Government Administration Committee of the Illinois House of Representatives.

On January 27, 2012, Executive Inspector General Ricardo Meza and DCFS Inspector General Dr. Denise Kane testified at the joint hearing about the systemic problems that came to light during the course of the investigation. Mr. Meza's testimony focused on the failure of DCFS and other state agencies to appropriately monitor grants, the failure of former DCFS Director Erwin McEwen to manage grants awarded by DCFS, and the failure of state agencies to coordinate grant oversight activities with other state agencies.

In response to the committee’s questions, Mr. Meza offered recommendations to prevent similar future grant fraud, such as the creation of a centralized grant database, amending state contracts to require that vendors cooperate in OEIG investigations, and enacting stricter guidelines for entities that receive grant funds to act as fiscal agents. A number of these suggestions were included in subsequently proposed legislation and administrative rules.

**OEIG Funding:** An amendment to the State Officials and Employees Ethics Act, effective July 1, 2011, extended the OEIG’s jurisdiction to include the four northeastern Illinois regional transit boards (the Regional Transportation Authority, the Chicago Transit Authority, Metra, and Pace) and their 15,000 employees. In spite of this increase in jurisdiction, the OEIG’s General Revenue Fund appropriation for Fiscal Year 2012 was reduced by 17%.

On November 29, 2011, the General Assembly passed Senate Bills 1311 and 2412. The legislation, signed by Governor Quinn on December 19, 2011, provided $2 million in public transportation funds to be used by the OEIG in its work as executive inspector general for the regional transit boards. With these additional funds, the OEIG created a new Regional Transit
Board Investigative Division devoted to investigating allegations of waste, fraud, and abuse at the regional transit boards.

The OEIG worked with legislators in the Illinois House and Senate during the spring 2012 session to ensure the OEIG received sufficient funding to continue performing its statutory duties. Executive Inspector General Ricardo Meza appeared before the Senate Appropriations II Committee on March 22, 2012 and the House General Services Appropriations Committee on April 16, 2012 to explain the work of the OEIG and the successful budget outcomes achieved during prior years. On May 31, 2012, the legislature passed an appropriations bill that provides adequate funding for the OEIG to continue its work in Fiscal Year 2013.
| APPENDICES |
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| APPENDIX I – OEIG SENIOR STAFF |

Ricardo Meza, Executive Inspector General
Mr. Meza was appointed acting executive inspector general on September 7, 2010 and was subsequently confirmed by the Illinois Senate on November 17, 2010. Prior to his appointment, Mr. Meza was the midwest regional counsel for the Mexican American Legal Defense and Educational Fund, a civil rights organization. Mr. Meza also served more than 10 years as an assistant U.S. attorney, primarily in the Chicago office where he tried over 30 federal criminal cases. Mr. Meza began his legal career as a judicial law clerk to the late Honorable Wendell C. Radford, U.S. magistrate judge for the Eastern District of Texas and also served as an assistant attorney general, where he represented the State of Texas. Mr. Meza received his BA in political science from Illinois State University and obtained his law degree in 1990 from The John Marshall Law School, where he was a published author, member of the Software Law Journal staff, and president of the Hispanic Law Students Association. Mr. Meza is licensed to practice law in Illinois and Texas.

Cole S. Kain, Chief of Staff and General Counsel
Mr. Kain joined the OEIG in November 2010. He has more than 15 years experience investigating and litigating employee dishonesty and fraud claims involving commercial businesses and federally insured financial institutions as a partner in a Chicago law firm. He has authored and edited numerous publications addressing employee dishonesty and fraud. He is editor of Annotated Commercial Crime Policy (Second Edition). Mr. Kain graduated from The University of Iowa (BA), The John Marshall Law School (JD, with high distinction) and New York University School of Law (LLM). He is a former law clerk to the late Honorable Dominick L. DiCarlo, chief judge, United States Court of International Trade.

Susan Haling, Special Counsel
Ms. Haling joined the OEIG in December 2011 and serves as special counsel. She has more than nine years experience as an assistant U.S. attorney in Chicago where she tried over 25 criminal trials. Ms. Haling also previously worked for the U.S. Justice Department, Criminal Division in Washington D.C. Ms. Haling was a law clerk for the Honorable James F. Holderman, district judge for the Northern District of Illinois, currently presiding chief judge. Ms. Haling received her BA from the University of Notre Dame and obtained her law degree from DePaul Law School where she graduated Order of the Coif, served as an editor for the Law Review, and was a member of the Moot Court Trial Team. Ms. Haling also is currently an adjunct professor at Northwestern Law School.
Erin K. Bonales, Deputy Inspector General and Chief of Chicago Division
Prior to joining the OEIG in May 2006, Ms. Bonales was an assistant general counsel for the Illinois Department of Human Services (DHS) for five years. In that capacity, Ms. Bonales advised and assisted the Office of the Illinois Attorney General and outside counsel in representing DHS in federal and state courts, as well as various administrative tribunals; rendered legal advice to management and staff on the agency’s administrative and programmatic functions; and represented DHS in administrative matters. Ms. Bonales received a JD from the University of Illinois College of Law, and a BA in political science from Southern Illinois University.

Neil P. Olson, Deputy Inspector General and Chief of Springfield Division
Mr. Olson joined the OEIG in February 2010 after working for the Commonwealth of Massachusetts where he was an assistant attorney general in the Massachusetts Attorney General’s Office. Mr. Olson also served as a staff attorney at the Massachusetts Commission on Judicial Conduct. In addition, Mr. Olson was a litigator at Choate, Hall & Stewart in Boston, and specialized in labor and employment law. Mr. Olson began his legal career as the law clerk to the Honorable Kenneth Laurence of the Massachusetts Appeals Court. He is a graduate of Grinnell College and Northeastern University School of Law, and is licensed to practice law in Massachusetts and Illinois.

James J. Bonk, Chief of Regional Transit Board Investigative Division
Mr. Bonk joined the OEIG in July 2008. Mr. Bonk has over 30 years of public and private sector experience in investigations, leadership, and operations. He began his career in law enforcement and then joined CNA Insurance Companies where he led its nationwide special investigations unit. He graduated from National-Louis University with a BA in applied behavioral science. Mr. Bonk serves as a board director with the Association of Inspectors General, Illinois Chapter.

Rochelle M. Hardy, Chief Financial and Compliance Officer
Ms. Hardy joined the OEIG in October 2008. She has 31 years of experience in management, accounting, finance, information technology, and professional development of staff. She was previously employed as the chief fiscal officer for the Illinois State Police and deputy director of administration for the Shared Services Public Safety Center. She also served for six years as the director of information systems for the County of Kenosha (WI). Ms. Hardy also held various private sector positions including manager of accounting, senior accountant/controller, and manager of consulting services. She received her BS in business administration and accounting from Roosevelt University and her MBA from Keller Graduate School of Business. She is an active member of the National Association of Black Accountants and the National Black MBA Association.

David E. Keahl, Director of Ethics Training and Compliance
Mr. Keahl joined the OEIG in October 2003. Previously, Mr. Keahl worked in the telecommunications industry for 27 years. There, he directed activities related to corporate planning, accounting, finance, regulatory affairs, engineering, and human resources. He is experienced in managing matters related to organizational governance, internal controls, and legal/regulatory compliance. Mr. Keahl is a graduate of the University of Michigan.

Wendy L. Washington, Director of Human Resources
Ms. Washington joined the OEIG in July 2003 and has 29 years of state government service in various administrative and human resource positions. She received her BA from DePaul University in business administration, is a member of the Society for Human Resource Management, and maintains her certification as a Professional in Human Resources.
## APPENDIX II – NUMBER OF COMPLAINTS RECEIVED BY TYPE

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<th>PRIMARY ALLEGED MISCONDUCT</th>
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<tr>
<td>Abuse</td>
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<tr>
<td>Abuse of Time</td>
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<td>127</td>
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<tr>
<td>Americans with Disabilities Act Violations</td>
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<td>1</td>
</tr>
<tr>
<td>Bid-Rigging</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Breach of Confidentiality</td>
<td>19</td>
<td>31</td>
</tr>
<tr>
<td>Bribery</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Child Support</td>
<td>9</td>
<td>2</td>
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<tr>
<td>Conflict of Interest</td>
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<tr>
<td>Corruption</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Discrimination</td>
<td>26</td>
<td>27</td>
</tr>
<tr>
<td>Ex Parte Communications Violation</td>
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<td>1</td>
</tr>
<tr>
<td>Extortion</td>
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<tr>
<td>Failure to Cooperate</td>
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<td>3</td>
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<tr>
<td>Failure to Follow Agency Policy</td>
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<td>14</td>
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<tr>
<td>False Employment Application</td>
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<td>7</td>
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<tr>
<td>Fraud</td>
<td>144</td>
<td>152</td>
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<tr>
<td>Ghost Pay Rolling</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Gift Ban Violation</td>
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<td>7</td>
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<tr>
<td>Harassment</td>
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<td>69</td>
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<td>Hiring Improprieties</td>
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<tr>
<td>Improper Political Promotion</td>
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<tr>
<td>Misappropriation or Misuse of Funds</td>
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<td>26</td>
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<tr>
<td>Misconduct</td>
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<td>624</td>
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<td>50</td>
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<td>Other</td>
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<td>Political Work on State Time</td>
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<td>Procurement Fraud</td>
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<td>Prohibited Political Activity</td>
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<td>Retaliation</td>
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<td>Revolving Door Violation</td>
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<td>Sexual Harassment</td>
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<td>Theft</td>
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<td>Unethical Conduct or Practices</td>
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<tr>
<td>Violence in the Workplace</td>
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<td>Waste</td>
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<tr>
<td>Wrongful Termination</td>
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<td>Total</td>
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### Appendix III — Number of Founded Complaints by Agency

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<tr>
<th>AGENCY NAME</th>
<th>FY 11</th>
<th>FY 12</th>
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<tbody>
<tr>
<td>Aging, Department on</td>
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<tr>
<td>Agriculture, Department of</td>
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<tr>
<td>Board of Higher Education, State</td>
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<tr>
<td>Capital Development Board</td>
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<tr>
<td>Central Management Services, Department of</td>
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<tr>
<td>Chicago Transit Authority</td>
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<tr>
<td>Commerce and Economic Opportunity, Department of</td>
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<tr>
<td>Corrections, Department of</td>
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<tr>
<td>Eastern Illinois University</td>
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<tr>
<td>Emergency Management Agency</td>
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<td>Employment Security, Department of</td>
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<td>Environmental Protection Agency</td>
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<td>Executive Ethics Commission</td>
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<td>Financial and Professional Regulation, Department of</td>
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<td>Governor, Office of the</td>
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<td>Governor's State University</td>
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<td>Healthcare and Family Services, Department of</td>
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<td>Human Services, Department of</td>
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<td>Illinois Power Agency</td>
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<td>Juvenile Justice, Department of</td>
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<td>Labor, Department of</td>
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<td>Natural Resources, Department of</td>
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<td>Non-State Agency</td>
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<tr>
<td>Northern Illinois University</td>
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<td>Public Health, Department of</td>
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<td>Revenue, Department of</td>
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<td>Southern Illinois University</td>
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<td>State Employees' Retirement System</td>
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<td>State Police</td>
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<td>Toll Highway Authority</td>
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<td>Transportation, Department of</td>
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<td>University of Illinois</td>
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<td>Veterans' Affairs, Department of</td>
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<tr>
<td>Western Illinois University</td>
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<tr>
<td>Workers' Compensation Commission</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>99</strong></td>
<td><strong>38</strong></td>
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### APPENDIX IV – NUMBER OF FOUNDED COMPLAINTS BY TYPE

<table>
<thead>
<tr>
<th>PRIMARY TYPE</th>
<th>FY 11</th>
<th>FY 12</th>
</tr>
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<tbody>
<tr>
<td>Abuse of Time</td>
<td>16</td>
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</tr>
<tr>
<td>Bid-Rigging</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Breach of Confidentiality</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Bribery</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Conflict of Interest</td>
<td>6</td>
<td>2</td>
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<tr>
<td>Discrimination</td>
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<td>0</td>
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<tr>
<td>Failure to Follow Agency Policy</td>
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<tr>
<td>False Employment Application</td>
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<tr>
<td>Fraud</td>
<td>10</td>
<td>3</td>
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<tr>
<td>Ghost Pay Rolling</td>
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<td>2</td>
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<tr>
<td>Gift Ban Violation</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Harassment</td>
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<td>0</td>
</tr>
<tr>
<td>Hiring Improprieties</td>
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<td>4</td>
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<tr>
<td>Misappropriation or Misuse of Funds</td>
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<tr>
<td>Misconduct</td>
<td>30</td>
<td>10</td>
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<tr>
<td>Mismanagement</td>
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<td>0</td>
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<tr>
<td>Misuse of Property</td>
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<td>6</td>
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<tr>
<td>Procurement Fraud</td>
<td>2</td>
<td>2</td>
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<tr>
<td>Prohibited Political Activity</td>
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</tr>
<tr>
<td>Revolving Door Violation</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Sexual Harassment</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Theft</td>
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<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>99</strong></td>
<td><strong>38</strong></td>
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APPENDIX V – MONTHLY INVESTIGATIVE METRICS

Complaints Received by Month

Number of Investigations Opened by Month

Number of Investigations Closed by Month
APPENDIX VI – ANNUAL COMPLAINT METRICS

Submittal Method of Complaints Received in FY 2012

Disposition of Complaints Received in FY 2012

Top Five Complaint Types in FY 2012
(number of complaints)
APPENDIX VII – FREEDOM OF INFORMATION ACT

APPLICABILITY:
Under the Ethics Act, the OEIG must keep confidential the identity of a person acting as a source of an allegation (the complainant), unless the individual consents to disclosure (Sec. 20-90(a)). Similarly, the Ethics Act exempts from the Freedom of Information Act all investigatory files and reports of the OEIG (Sec. 20-95(d)).

OEIG OPERATING BUDGET FOR FISCAL YEAR 2012:
$7,772,000

OEIG OFFICES:
32 W. Randolph, Suite 1900
Chicago, IL 60601-3414

607 E. Adams, 14th Floor
Springfield, IL 62701-1634

NUMBER OF OEIG EMPLOYEES:
65 employees as of June 30, 2012

STATE AGENCY WITH LIMITED OVERSIGHT ROLE OVER THE OEIG:
Illinois Executive Ethics Commission

OEIG FOIA OFFICER:
Neil Olson
Deputy Inspector General and Chief of Springfield Division
Office of Executive Inspector General
for the Agencies of the Illinois Governor
607 E. Adams, 14th Floor
Springfield, IL 62701-1634

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| APPENDIX VIII – REFERENCES ON THE WEB |

State Officials and Employees Ethics Act (5 ILCS 430, et seq.)

OEIG Monthly Reports
http://www2.illinois.gov/oeig/Pages/monthly_reports.aspx

Executive Ethics Commission Revolving Door Decisions
http://www2.illinois.gov/eec/Pages/disciplinary_decisions.aspx

Publicly Released OEIG Investigation Reports
http://www2.illinois.gov/oeig/Pages/PublishedOEIGCases.aspx

OEIG Investigation Policy and Procedures Manual
http://www2.illinois.gov/oeig/Pages/policy.aspx

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http://www2.illinois.gov/oeig/Pages/annual_reports.aspx
OFFICE OF EXECUTIVE INSPECTOR GENERAL
FOR THE AGENCIES OF THE ILLINOIS GOVERNOR

Chicago Office
32 West Randolph St., Suite 1900
Chicago, IL 60601-3414
(312) 814-5600 telephone
(312) 814-5479 fax

Springfield Office
607 East Adams St., 14th Floor
Springfield, IL 62701-1634
(217) 558-5600 telephone
(217) 782-1605 fax

to report misconduct:

(866) 814-1113 telephone
(888) 261-2734 TTY
www.inspectorgeneral.illinois.gov