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Contact: Nicholas Schuler (773) 534-9400 or njschuler@cpsoig.org

**CPS Inspector General Releases Annual Report:
Fraudulent applications for pre-kindergarten, coach who stole \$30,000
in pool rental payments and vendor who offered CPS RFP committee
member use of her vacation home**

Chicago — The Office of Inspector General for the Chicago Board of Education investigated a wide range of fraud, mismanagement and misconduct last school year, including numerous cases involving CPS's pre-kindergarten program.

In 15 investigations involving 16 CPS employees the OIG found that the employees' incomes were underreported on their children's applications for CPS's sliding-scale pre-K program. Under that program, CPS charged anywhere from \$260 to \$4,400 per half-day seat, depending on family income. Due to the underreported income in the cases investigated, the OIG concluded that the 16 CPS employees collectively owed an additional \$65,000 in pre-K tuition. The district now is pursuing that outstanding tuition.

Those investigations followed an OIG performance review that determined CPS had left as much as \$2 million in pre-K payments on the table due to a variety of factors, including pre-K application fraud, lax debt collection, mismanagement and poor oversight of CPS's tuition-collection arrangement with a for-profit company. Since the OIG reported on that matter, the Board has attempted to recover as much of the money owed as possible. As of December 2019, roughly \$86,000 had been collected. The vast majority of the outstanding debt is owed by non-CPS employee families.

In another pre-K investigation the OIG found that several staff members at an elementary school were improperly receiving a free pre-K perk that was not available to the public. Whereas other parents were only able to enroll their children in the school's half-day pre-K program, the principal allowed six staff members to keep their children at the school for both the morning and afternoon sessions. And because they were only officially enrolled in one of the sessions, the second session was off-the-books and completely free. The principal also directed other employees

to watch the staff members' children during the one-hour break period between the two sessions. The OIG estimated the total value of their free pre-K at \$37,000.

Other OIG cases of note include:

- A high school coach who misappropriated \$30,000 from the school by entering into side deals with outside groups to rent the school pool and then pocketing their rental payments. The OIG also found that the principal and assistant principal should have known about the coach's rental activities, particularly given that the OIG had previously investigated him for misconduct involving the school pool.

The OIG referred this matter to the Cook County State's Attorney's Office, which charged the coach with five felonies — four counts of theft and one count of official misconduct. As of December 2019, his criminal case was still pending.

The OIG also recommended that the Board permanently debar the coach, who no longer works for CPS. The OIG recommended serious discipline for the principal and appropriate discipline for the assistant principal. In response, the Board gave the principal a five-day unpaid suspension and gave the assistant principal a written reprimand. The Board plans to initiate debarment proceedings against the coach.

- While a CPS RFP committee was considering a nursing-services vendor for a \$30 million contract, the president of the vendor's local franchise offered her vacation home to a CPS employee on the RFP committee. The CPS employee confirmed that the vendor offered her use of the vacation home and that she, in fact, used it. However, when the OIG asked the vendor about it, she denied it. The OIG found that the vendor lied to the OIG and that, by offering her vacation home to the CPS employee she attempted to improperly influence CPS's competitive procurement process.

The OIG recommended that the Board permanently debar the local franchise and its president and that the Board require that an independent monitor be appointed to assess and report on the parent company's corporate ethics and compliance culture. The Board advised that it is in discussions with the parent company about implementing the OIG's recommendations. As for the CPS employee, she had already left CPS at the time the OIG reported on this matter. At the OIG's recommendation, the Board placed a Do Not Hire designation in her personnel file.

Additionally, as has been well reported, the OIG launched a Sexual Allegations Unit in Fiscal Year 2019, focused on investigating adult-on-student sexual misconduct at CPS. More information about that unit's work is included in the Annual Report.

A copy of the Fiscal Year 2019 Annual Report can be found online at the OIG's website: cpsoig.org.

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