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ANNUAL REPORT

JULY 1, 2001 - JUNE 30, 2002



Chicago Board of Education Office of the Inspector General

James M. Sullivan, Interim Inspector General

PREPARED PURSUANT TO 105 ILCS 5/34-13.1(E)

ANNUAL REPORT

Annual Report

July 1, 2001 to June 30, 2002

Office of the Inspector General of the Chicago Board of Education



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James M. Sullivan, Interim Inspector General

January 1, 2003

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A MESSAGE FROM THE INTERIM INSPECTOR GENERAL

January 1, 2003

The mission of the Chicago Board of Education Office of the Inspector General (“OIG”) is to conduct meaningful, accurate and thorough investigations into allegations of waste, fraud and mismanagement. Empowered by the Illinois School Code, 105 ILCS 5/34-13.1, the OIG has the authority to investigate these allegations to ensure the integrity of the Chicago Public School system. In addition to the School Code, Chicago Board of Education Resolution 98-0923-RS12 further defines the role of the OIG. Within the guidelines of the School Code and the Board Resolution, the OIG conducts investigations into allegations of employee misconduct, as well as fraud and abuses by vendors of goods or services to the Chicago Board of Education. In addition, the OIG also reviews the Board’s systems, practices and procedures to determine their efficacy in preventing waste, fraud and financial mismanagement. With the authority of the Board Resolution, the OIG also mediates school complaints against vendors.

During the FY02 reporting year, former Inspector General Maribeth Vander Weele resigned to pursue opportunities in the private sector. On March 28, 2002, Mayor Richard M. Daley appointed me to act as Interim Inspector General.

The School Code requires the OIG to file with the General Assembly and the Chicago Board of Education a summary of reports and investigations made under the authority of the OIG statute. This Annual Report, summarizing OIG investigative activity conducted in Fiscal Year 2002, satisfies that requirement. The report is a compendium of investigations conducted into allegations of employee misconduct and vendor fraud, as well as a summary of the numerous complaints the OIG successfully mediated between schools and vendors. As required by law, identifying information has been kept confidential.

The OIG is made up of three investigative units, one mediation unit, and support staff.

The Employee Integrity Unit conducts investigations into allegations of employee misconduct including payroll fraud; on and off-duty criminal offenses; residency, misappropriation of funds, and other violations of Board Rules, the CPS Policy Manual, or the Employee Discipline Code. The Employee Integrity Unit also investigates allegations of tuition fraud involving students who attend CPS while residing in the suburbs, a violation of the School Code. During FY02, the OIG received 541 complaints of misconduct. During this same period the unit closed 558 cases. Only those investigations that resulted in substantiated findings are summarized in this report.

The Contracts Investigations Unit investigates allegations of fraud, waste, criminal conduct, misrepresentations and other violations of Board Rules or CPS policies committed by Board vendors. The Forensic Auditing Unit focuses on those investigations of vendors that require extensive auditing or analysis of financial documentation or data. As needed, the Forensic Auditing Unit also assists in investigations of employee misconduct that require an auditing expertise. During FY02, the OIG received 30 complaints involving vendor misconduct, 24 were assigned to the Contracts Investigations Unit and 6 to the Forensic Auditing Unit. During this same period, the Contracts Investigations Unit closed 58 cases and the Forensic Auditing Unit closed 8 cases. The investigations conducted by these units that resulted in substantiated findings or recommendations for efficiencies are summarized in this report.

The Mediation Unit, part of the Contracts Investigations Unit, mediates disputes between schools and contractors. Issues raised by school-based personnel usually concern the quality of work performed at the schools by contractors. The Mediation Unit attempts to amicably resolve these disputes. In FY02, the Mediation Unit received 106 complaints. During this period the Mediation Unit closed 137 cases, successfully mediating 84 disputes. Those issues where the Mediation Unit successfully solved the problem, usually at no additional cost to CPS, are summarized in this report.

During FY02, the OIG performed its mission and conducted more investigations and handled more complaints than in any previous year. Despite budget cuts leading to significant reductions in staffing levels, the OIG is poised to continue at peak productivity and thoroughness in FY03. The entire OIG would like to thank the Chicago Board of Education and the entire CPS administration for continued cooperation and support.

Sincerely,


James M. Sullivan
Interim Inspector General

EMPLOYEE INTEGRITY UNIT

- An elementary school bilingual teacher resided outside the City of Chicago in violation of the CPS Residency Policy. The teacher claimed to have been granted a special needs waiver but the OIG was unable to locate evidence of such. The investigation did not show that the teacher falsified documents regarding his home address. After the Law Department reviewed the OIG's investigative findings, the teacher was issued a warning resolution.
- An elementary school teacher submitted fraudulent applications to the United States Department of Education for financial aid for her daughter. The teacher, indicted by a grand jury, pled guilty to a criminal charge related to the false application, and as part of her sentencing agreement paid \$27,728.00 in restitution to the US Department of Education. After the Law Department reviewed the OIG's investigative findings, the teacher was issued a warning resolution.
- A CPS Internal Audit revealed that a recently retired elementary school principal violated procedures outlined in the CPS Internal Accounts Manual and impermissibly obtained school monies for personal use. From at least 1995 through December 2000, the principal failed to maintain documentation supporting more than \$66,000 in school checks and payout transactions made payable to herself. The OIG followed up on the audit and, with the assistance of the Cook County State's Attorney's Office, obtained detailed gaming records that reflected that the former principal lost in excess of \$170,000 gambling during the period that the audit reflected she had obtained school funds unsupported by documentation. The CPS Law Department has withheld payment to the former principal for accumulated sick time she was entitled to upon her retirement. The Cook County State's Attorney's Office is reviewing the investigation and may file criminal charges.
- An elementary school custodial worker was arrested after he committed the offense of criminal sexual assault against a teacher. After pleading guilty he was sentenced to four years in the Illinois Department of Corrections. The custodial worker resigned from CPS.
- An OIG investigation revealed that an elementary school bilingual assistant improperly wrote checks to herself from the school's PTA account totaling \$8642.46. In an interview with the OIG she admitted to forging a signature on the checks and to obtain-

ing and using an unauthorized ATM card. Based on the OIG investigation, the bilingual assistant resigned from CPS. She was also criminally prosecuted and convicted. She was sentenced to 12 months of probation and ordered to pay restitution.

- A teacher at an elementary school was found to be a resident of Evergreen Park, Illinois in violation of the Chicago Public Schools Residency Policy. The Law Department is reviewing the OIG's investigative findings for possible disciplinary action.
- A former student attended a CPS elementary school for the 1999-2000 school year while residing in Calumet City, Illinois. The student transferred out of the CPS system after the 1999-2000 school year; however, his parents are responsible for the payment of non-resident tuition. The CPS Law Department has had a judgment entered in court against the parents for \$5,874.53.
- A student attended a CPS elementary school for the 1999-2000 school year while residing in Dolton, Illinois.
- A Special Education Support Clerk admitted to an OIG investigator that she submitted forged Corrected Attendance Reports when she did not work. These forged reports gained the clerk \$4,164.05 in unearned wages. The results of the investigation were forwarded to the Cook County State's Attorney's Office for prosecution. Based on the OIG investigation, the employee resigned from CPS.
- An OIG investigation that included numerous surveillances and a review of public records, revealed that two siblings resided outside the City of Chicago while attending a CPS elementary school since at least January of 2000, subjecting their parents to liability for the payment of non-resident tuition.
- OIG surveillance revealed that a night watchman assigned to an elementary school went home for nearly his entire work shift on numerous occasions. Based on the OIG investigation, the night watchman resigned.
- A high school assistant principal was arrested after committing the offense of domestic battery after injuring his girlfriend. He pled guilty to the charge and was sentenced to two years of court supervision and ten days of community service.
- OIG surveillance of an engineer and a custodian at an elementary school showed that each left the school for extended periods of time on numerous occasions during their scheduled work hours. In separate interviews with the OIG, both employees further admitted to helping each other commit payroll fraud by falsifying timekeeping records. Based on the OIG investigation, the engineer was discharged from CPS employment and the custodian resigned.
- An OIG investigation revealed a high school computer teacher left the school building

for an unspecified number of hours during his workday on Fridays. The investigation further revealed the teacher would attend prayer services at a mosque while on CPS time.

- An OIG investigation revealed that an elementary school principal resided in Evanston, Illinois, in violation of the CPS Residency Policy. The Law Department is reviewing the OIG's investigative findings for possible disciplinary action.
- An elementary school tutor was arrested and charged with the offense of possession of a controlled substance. Chicago police discovered the tutor was in possession of a hallucinogen. This charge was subsequently dismissed, however further investigation by the OIG revealed the tutor had at least three other drug related arrests, including a previous arrest for possession of cannabis. The investigation revealed that the tutor had pled guilty to the cannabis charge and was sentenced to six months supervision. The school tutor is no longer employed by CPS.
- An OIG investigation that included surveillances and an audit of attendance records revealed that a high school watchman falsified attendance records to reflect that she was working for CPS when in fact, in many instances, she was not on the job and was actually working another job. The OIG investigation determined that the watchman was paid at least \$9,096.72 for hours during 2000 and 2001 that she did not work. The watchman received pay totaling at least \$1,433.95 for sick days from CPS on days she actually signed-in and worked at another job. Based on the OIG investigation, the watchman was discharged from CPS employment.
- The son of a CPS employee attended a high school while living in Calumet Park, Illinois. The CPS Law Department pursued the parents for the payment of non-resident tuition. A judgment was entered and the parents have reimbursed CPS \$5,874.53.
- A student attended a CPS elementary school for two and one-half years while living in Riverdale, Illinois. The CPS Law Department is reviewing the investigation and may seek to hold the parents responsible for the payment of non-resident tuition of more than \$12,000.
- An elementary school porter was arrested for committing the offense of domestic battery. During the course of the investigation, the OIG learned that the porter had at least two prior arrests, and the porter had actually been convicted of delivery of a controlled substance prior to his employment with CPS. The porter resigned from CPS after receiving a notice to appear for an interview with the OIG.
- The Chicago Police Department arrested a day-to-day substitute teacher after she was found in possession of a controlled substance. The substitute teacher subsequently pled guilty to the charge and was sentenced to serve a term of two years of probation. Prior to her guilty plea, the substitute teacher resigned her position with CPS.

- An OIG investigation revealed that two siblings, the children of a CPS employee, attended a CPS elementary school while residing in Romeoville, IL. The Law Department was able to recover \$8928.13 in payment for non-resident tuition from the parents of the children. The Law Department also recommended that the employee be discharged. Disciplinary action is pending.
- An elementary school teacher was arrested and charged with committing the offense of unlawful use of weapons, false personation and criminal damage to property. The teacher pled guilty to the charge of criminal damage to property and was sentenced to one year of supervision and ordered to perform 30 hours of community service. The teacher subsequently resigned from CPS.
- A teacher at an elementary school was arrested and charged with patronizing a prostitute after being observed by police in a sexual act with a prostitute. The teacher was found guilty and placed on twelve months of supervision. The Law Department recommended that the teacher receive discipline from the school principal.
- During the course of the investigation of an elementary school teacher's arrest for domestic battery, the OIG learned that the teacher had been convicted of possession of a controlled substance in Texas. The teacher had been convicted in 1988 and was placed on probation for 10 years, but the probation was later revoked and he was sentenced to five years in the Texas Department of Corrections. The teacher failed to disclose his criminal history on CPS applications. Based on the OIG investigation, the employee was vacated from his position.
- An elementary school porter was arrested off-duty and charged with committing the felony offense of aggravated unlawful use of a weapon. The porter, once interviewed by investigators from the OIG, admitted that he possessed a handgun and was stopped by the police as he was driving to purchase ammunition for the gun. The porter pled guilty in criminal court to the offense of aggravated unlawful use of weapon and was sentenced to one year of probation. The Law Department recommended that the porter receive discipline from the school principal.
- A porter assigned to an elementary school was arrested and charged with possession of a controlled substance. The porter pled guilty to the offense and was sentenced 30 months of probation. The OIG investigation revealed that the porter was also arrested on another occasion for possession of controlled substance and was also convicted of that charge. Following these convictions, the porter was discharged from employment with CPS.
- An apprentice engineer was arrested for attempting to cash a forged check in the amount of \$2,738.03. The bank teller refused to honor the check presented after discovering that the payer name listed on the check did not match the named account holder. The engineer was detained by bank security until arrested by Chicago police

officers. The engineer was convicted on the misdemeanor of attempted theft and was sentenced to 18 months probation and fined \$210.00. The Law Department recommended that the engineer receive discipline from the school principal.

- An OIG investigation substantiated allegations that a student attended a CPS school while residing in Evanston, Illinois. The CPS Law Department is reviewing the results of the investigation to determine if the student's parents should be held liable for the payment of non-resident tuition.
- A custodial worker for a firm contracted to perform janitorial services at CPS stole a Visa card from a teacher's purse and made at least three unauthorized purchases. Based on the OIG's recommendation, the custodial worker was subsequently terminated from employment with the janitorial firm.
- An OIG investigation revealed that a custodial worker employed by a firm contracted to perform janitorial services at CPS had a criminal record that included convictions for murder and armed robbery. The custodial worker was subsequently terminated by the custodial firm.
- An OIG investigation revealed that two school clerks at an elementary school did not collect student fees in accordance with the procedures outlined in the Internal Accounts Manual. As a result, as much as \$500 and a receipt book used to record the collection of student fees were lost.
- An OIG investigation substantiated an allegation that a high school principal mismanaged the expenditure of school funds. In two different years, the School Improvement Plan for Advancing Academic Achievement ("SIPAAA") was submitted without approval from the LSC. In addition, credible evidence existed to show that the LSC failed to maintain the required minutes of LSC meetings and the principal failed to file the internal accounts summary relating to monies collected in a fundraiser. The OIG investigation also revealed that deficits existed in certain of these school accounts for a period of years. Based on the OIG investigation, the principal was issued a warning resolution.
- The OIG conducted an investigation of an elementary school engineer and custodian which revealed the custodian routinely swiped-in the engineer on the school's Kronos time-keeping machine when the engineer was not present at the school and did not work his complete shift. Based on the OIG investigation, the custodian voluntarily resigned. The Law Department is seeking to dismiss the engineer from CPS employment.
- An elementary school business manager was arrested and charged with battery after striking a Home Depot employee who was questioning him about a retail theft. The business manager was found guilty of battery and sentenced to 12 months of super-

vision. After reviewing the OIG investigative findings, the Law Department recommended that the business manager be issued a written reprimand.

- An elementary school speech pathology assistant was arrested for battery of a police officer after she began shouting obscenities at the police officer who issued her a citation. The offender then shoved the officer's shoulder causing the officer to fall into the squad car. The speech pathology assistant pled guilty to the charge of battery and was sentenced to six months of supervision. After reviewing the OIG investigative findings, the Law Department recommended that the speech pathology assistant be issued a written reprimand.
- A day-to-day child welfare attendant was arrested for committing the felony offense of forgery after she attempted to cash a forged check payable to herself in the amount of \$1,500.00. The child welfare attendant was subsequently convicted of forgery and was sentenced to 18 months of probation. Based on the OIG investigation, the child welfare attendant was vacated from her position.
- The Office of the Inspector General determined that a contractual custodial worker made several phone calls to "900" pay-per-call numbers totaling \$853.82 from a telephone line at an elementary school. The custodial worker agreed to make restitution payments of \$150.00 per month. The employee made one payment of \$150.00 and then quit her job.
- A school clerk was arrested and charged with retail theft after she was observed by a TJ Maxx security guard removing a pair of shoes from a rack in the store and then obtaining a \$43.49 cash refund from the cashier. The clerk pled guilty and was convicted. The clerk was subsequently discharged from employment with CPS.
- The Chicago Police Department arrested an off-duty high school child welfare attendant and charged him with committing the felony offense of aggravated unlawful use of a weapon after the police discovered that the man had a 9-millimeter, semi-automatic handgun in his vehicle. The child welfare attendant pled guilty to a misdemeanor gun violation and was sentenced to one year of probation and community service. After the Law Department reviewed the OIG's investigative findings, the child welfare attendant was issued a 5-day suspension.
- A middle school teacher was arrested and charged with the offense of indecent solicitation of a child after trying to arrange sex with a 14-year-old girl during a police internet sting. The teacher admitted to police that he had also attempted to seduce a female student and kept child pornography on his home computer. The teacher pled guilty to the charge of indecent solicitation of a child and was sentenced to 24 months probation. Prior to being interviewed by the OIG, the teacher resigned from his position with CPS.

- An OIG investigation revealed that a teacher falsified the signature of a parent and physical therapist on timesheets submitted reflecting homebound services for a CPS student suffering from cerebral palsy. The investigation also revealed that the teacher maintained incomplete records of her time and failed to provide homebound services as required. Furthermore, the OIG found evidence that the homebound student was hospitalized for a period during which the teacher claimed to be providing homebound services. The Law Department is reviewing the OIG's investigative findings for possible disciplinary action.
- A provisional substitute teacher was arrested for committing the offense of patronizing a prostitute. The teacher pled guilty and was sentenced to three months of court supervision. Based on the OIG investigation, the substitute teacher was vacated from his position.
- An elementary school computer teacher noticed that several computers in her lab had been used to access pornographic websites. An investigation by the OIG confirmed that school computers were used to access pornography. During the course of the investigation, the OIG conducted a surveillance of the computers, which revealed a school custodian's use of the computers for an extensive period of time. The custodian subsequently admitted to the OIG that he inappropriately used the computers and repeatedly accessed pornography. Based on the OIG investigation, the employee was discharged.
- An OIG investigation revealed that a substitute teacher was previously convicted of the offense of attempted murder and served a sentence in the Illinois Department of Corrections. The OIG's investigation also revealed the substitute teacher had other criminal convictions in his past. The substitute teacher never disclosed in any CPS job applications that he had been convicted of a crime, as required. The Illinois School Code prohibits a school district from employing anyone convicted of attempted first-degree murder. Based on the OIG investigation, the teacher was discharged.
- An OIG investigation revealed that two siblings attended a CPS elementary school for at least two school years while residing in Country Club Hills, Illinois. The Law Department is reviewing the investigative findings and may seek to hold the children's parents responsible for unpaid non-resident tuition.
- An OIG investigation revealed that a part-time elementary school security supervisor forged signatures on his CPS timesheets to reflect hours worked at the school when he was in fact signed-in and working those same hours for the Cook County Sheriff's Office. In total, the security supervisor billed CPS for at least 710.75 hours totaling at least \$10,560.05 in fraudulent wages. The OIG forwarded the results of the investigation to the Cook County State's Attorney's Office for prosecution.
- An OIG investigation revealed that a teacher purchased a transcript reflecting that he

received a master's degree from the American Conservatory of Music in Chicago, submitted the fraudulent transcript with his CPS job application for a teacher's position and was subsequently hired as a teacher. Three days after his interview with the OIG, the teacher resigned his position with CPS.

- An elementary school assistant was arrested and charged with the offense of possession of a controlled substance with the intent to deliver within 1000 feet of a church. The school assistant admitted to the OIG that he knowingly possessed narcotics when he was arrested. Subsequent to his arrest, the school assistant was laid off from CPS employment. The OIG recommended that the employee not be rehired by CPS in the future.
- A day-to-day child welfare attendant was arrested after he committed the offense of forgery by attempting to cash a forged check at Bank One. The child welfare attendant pled guilty to the charge and was sentenced to 13 months probation and community service. The child welfare attendant admitted to the OIG that he received \$300 for the transaction. The employee was subsequently discharged from CPS employment.
- An elementary school teacher was arrested on two separate occasions within a five-day period for prostitution-related offenses. In interview with the OIG, the teacher admitted to patronizing and soliciting the prostitutes. However, the criminal charges against the teacher were dismissed. Based on the OIG's investigative findings, the teacher was discharged from CPS employment.
- The Chicago Police Department arrested an off-duty elementary school porter after they recovered 18 bags of cannabis from the porter's jacket pocket. The porter pled guilty to the charge and was sentenced to serve a term of one year of supervision.
- An off-duty high school guidance counselor aide was arrested and charged with driving under the influence of alcohol and illegal transportation of alcohol. The guidance counselor aide was found guilty of the charges and was sentenced to a one year term of supervision. After reviewing the OIG investigative findings, the Law Department recommended that the guidance counselor aide be issued a written reprimand.
- The Chicago Police Department arrested a provisional certified substitute teacher after the teacher was caught attempting to remove a portable basketball hoop from a neighbor's yard. The substitute teacher pled guilty to the offense of attempted theft and was sentenced to one year of supervision. Disciplinary proceedings against the substitute teacher are pending.
- An elementary school assistant was arrested for possession of a controlled substance after a Chicago police officer observed the school assistant driving at a high rate of speed. When the officer asked for a driver's license the school assistant opened the trunk of the vehicle to retrieve the license from a fanny pack and the officer observed

six zip-lock bags of cocaine. The school assistant pled guilty to the offense and was sentenced to 18 months of probation.

- An elementary school assistant was arrested and charged with possession of cannabis with intent to deliver after officers observed the man engage in a narcotics transaction. The officers discovered that the school assistant was in possession of over 400 grams of cannabis. The school assistant subsequently pled guilty to the felony offense of possession of cannabis with intent to deliver and was sentenced to 24 months of probation. Based on the OIG investigation, the school assistant resigned from CPS.
- The Chicago Police Department arrested an elementary school teacher and charged him with contributing to the delinquency of a child. In the course of investigating a hit and run, the police found a 15-year-old ward of the state residing in the teacher's home. The child claimed the teacher gave him several alcoholic beverages and marijuana cigarettes. The teacher admitted to the police that he had smoked crack cocaine in the past. The teacher pled guilty to the offense of contributing to the delinquency of minor and was sentenced to one year of supervision. The teacher subsequently voluntarily retired from CPS.
- The OIG installed a surveillance camera in a school to investigate a series of thefts that were taking place in the school. The surveillance revealed that a watchman was allowing unauthorized individuals into the school and engaging in sexual activity with prostitutes in a school office while on duty. Following the OIG investigation, the employee voluntarily retired from CPS employment.
- The Chicago Police Department arrested an elementary school teacher and charged him with battery after a 13-year-old boy, who had gone to the teacher's home to get a camera as a gift, alleged the teacher rubbed his chest and groin. The teacher pled guilty to the charge and was sentenced to one year of supervision. After the Law Department reviewed the OIG's investigative findings, the teacher was issued a warning resolution.
- An elementary school clerk was arrested off-duty for domestic battery after she was observed striking and kicking another person. The clerk pled guilty to the offense and was sentenced to one year of supervision.
- The Chicago Police Department arrested an elementary school teacher after the teacher pointed a handgun at a family member. The teacher pled guilty to misdemeanor gun violations and was sentenced to one year of supervision. After the Law Department reviewed the OIG's investigative findings, the teacher was issued a warning resolution.
- An OIG investigation revealed that an elementary school teacher signed a contract and accepted \$3,483.21 to begin employment as a teacher with the Suburban Cook County

Regional Office of Education. After signing the contract, the teacher began receiving paychecks even before beginning work. The teacher subsequently decided she did not want the job, kept the money she had been paid up to that point and maintained her employment with CPS. At the conclusion of the investigation, the teacher had not paid back the money she had received.

- An OIG investigation into other allegations revealed that a principal computer console operator had a felony criminal conviction for possession of cannabis with intent to deliver that precluded his employment with CPS. The investigation also revealed that the employee failed to disclose his criminal record on his CPS employment application. The OIG investigation also revealed that the employee used his work computer to run a private business while on CPS time. Based on the OIG investigation, the employee was subsequently discharged from CPS employment.
- In response to allegations of financial misconduct at an elementary school, the OIG audited the school's financial records for the period from July 1, 2000 through June 30, 2001. The audit report indicated poor financial and paperwork management as a result of school staff not following established policies and procedures as mandated by the CPS Internal Accounts Manual. The audit did not present sufficient evidence for the OIG to investigate further.
- An elementary school librarian violated the Code of Ethics Policy of the Chicago Board of Education by not disclosing her secondary employment with a catering company which, at times, catered events for the librarian's school. After reviewing the OIG's investigative findings, the Law Department recommended that the librarian be disciplined by the school principal.
- A watchman was arrested and charged with domestic battery after he pushed his wife over the bushes on their front lawn. After being taken into custody by the Chicago Police Department, he kicked and shattered the rear window of the squad car resulting in the charge of criminal damage to property. The watchman pled guilty to the charges and was sentenced to community service and jail time. The watchman was terminated from employment with CPS subsequent to his arrest.
- An OIG investigation revealed that a high school student lived in Northlake, Illinois while attending a CPS high school. The Law Department is seeking reimbursement for non-resident tuition from the student's parents.
- OIG surveillance revealed that two custodians employed by a contractual custodial service were stealing food from the freezer and cooler at the school where they were assigned. The custodians were subsequently arrested by the Chicago Police Department and charged with theft. Each pled guilty to the charges and was sentenced to one year of conditional discharge. The custodial service terminated the employees.

- The Chicago Police Department arrested a custodian and charged him with battery and the felony charge of intimidation after the custodian allegedly threatened a witness involved in the criminal prosecution of a friend of the custodian. During the course of the investigation, the OIG discovered that the custodian was attending criminal court on CPS time. The custodian pled guilty to the battery charge and was sentenced to two years of probation. The intimidation charge was dismissed. After reviewing the OIG's investigative findings, the Law Department recommended that the custodian be disciplined by the school principal.
- An OIG surveillance conducted in response to a complaint that food was being stolen from a school's freezer, revealed that an employee of a janitorial service contractor, stole food from the freezer on more than one occasion. Based on the OIG investigation, the janitor was arrested and convicted in criminal court. The janitor was also terminated from the custodial firm.
- A school bus driver for a bus company was arrested and charged with attempted aggravated arson after an investigation revealed the bus driver poured a liquid accelerant on a carpet in front of an apartment and lit the accelerant with a match. The OIG investigation revealed that the bus driver pled guilty to attempted aggravated arson and was sentenced to 36 months of probation. This conviction for an enumerated offense precludes the bus driver's employment by any firm holding a contract with CPS. The bus company has removed the bus driver from work on any contract with CPS.
- A school clerk and a student development teacher at an elementary school admitted to the OIG that they misused school computers by sending, receiving and printing e-mails containing dirty jokes and off-color humor. The OIG investigation revealed that the jokes and e-mails were not pornographic. After reviewing the OIG's investigative findings, the Law Department recommended that the teacher be disciplined by the school principal.
- An OIG investigation revealed that an elementary school teacher resided in Morton Grove, Illinois in violation of the CPS Residency Policy.
- A high school clerk was arrested and charged with battery after pushing another school clerk. The clerk pled guilty to the charge and was sentenced to six months supervision. The clerk was subsequently issued a written reprimand.
- An elementary school custodian stole OIG surveillance equipment that had been installed to monitor his activity regarding an allegation of payroll fraud. The custodian admitted to having taken the equipment and was subsequently arrested by the Chicago Police Department. The custodian plead guilty in court and was ordered to pay restitution. Based on the OIG investigation, the employee resigned.
- An OIG investigation revealed that an elementary school teacher, for 3 consecutive

school years, falsified free and reduced-priced meal forms for her three children who attended the same elementary school that employed the teacher. The applications understated the teacher's salary and overstated the number of household members making the teacher's children eligible for reduced price lunches. After reviewing the OIG investigative findings, the Law Department directed the teacher's principal to issue the teacher a 15 day suspension. The teacher was also issued a warning resolution and was directed to repay the federal government \$2,000.00.

- In 1999, the Chicago Police Department arrested an elementary school porter for committing the offense of predatory criminal sexual assault of a child. The victims were the children of the porter's live-in girlfriend. After remaining in custody for over two years, the porter was convicted in 2001 and sentenced to 25 years in the Illinois Department of Corrections. During the two years he was awaiting trial, the porter was A.W.O.L. from CPS. Following his conviction, the porter was discharged.
- A day-to-day substitute teacher was arrested by the Chicago Police Department and charged with possession of crack cocaine, which was later dismissed. During the course of the OIG's investigation, it was revealed that the substitute teacher had been previously charged with possession of a controlled substance to which the teacher pled guilty and was sentenced to two years of probation. The substitute teacher has been vacated from her position.
- A high school security aide and a student were arrested and charged with the offense of retail theft after the student, who worked at Cub Foods, charged the security aid \$152.70 for items valued at \$349.20. The security aide pled guilty to the charge and was sentenced to six months of court supervision. After reviewing the OIG investigative findings, the Law Department recommended that the security aide be suspended from 6 to 15 days.
- An elementary school teacher was arrested and charged with domestic battery after Chicago police officers observed a physical altercation between the teacher and her boyfriend who proved to have puncture wounds and an open, bleeding scratch. The teacher pled guilty to the offense of domestic battery and was sentenced to 18 months of supervision.
- A high school security guard was arrested and charged with domestic battery after the security guard was observed outside a police station choking his girlfriend. The security guard pled guilty to the charge and was sentenced to one year of supervision. After reviewing the OIG investigative findings, the Law Department recommended that the security guard be issued a written reprimand.
- An OIG investigation revealed that a director in a Central Office department was promoted prior to obtaining the requisite college degree. The promotion occurred with the knowledge of her department head. Based on the OIG investigation, the employee

was discharged and the department head subsequently resigned.

- The OIG investigated numerous misconduct allegations against a Central Office department shift supervisor. During the course of the investigation, the OIG learned that the shift supervisor had been convicted in the past of possession of a controlled substance, an enumerated offense which precludes employment with CPS. Based on the OIG investigation, the shift supervisor voluntarily retired.
- An elementary school security officer was arrested for the delivery of a controlled substance after an undercover Chicago police officer purchased two plastic packets of crack cocaine from the security officer for \$20.00. During the course of the OIG investigation, it was discovered that the security officer had a previous conviction for delivery of a controlled substance after he sold an undercover police officer \$10 worth of crack cocaine. The security officer failed to disclose his criminal record when applying for CPS employment. Based on the OIG investigation, the security officer resigned from CPS.
- A school security officer committed the offense of battery against a teacher with whom he had a relationship. Assigned to the same elementary school, the security officer threatened and grabbed the victim in her classroom after she refused to have any further involvement with him. Based on the victim's complaints the Law Department began discharge proceedings against the security officer and his employment with CPS was terminated.
- An OIG investigation revealed that an elementary school assistant submitted fraudulent educational certificates with her employment application to obtain her position with CPS. The school assistant was subsequently discharged from CPS.
- The OIG conducted a follow-up investigation after a school psychologist was arrested and convicted for engaging in inappropriate behavior with a patient the psychologist encountered while engaging in employment outside of CPS. The school psychologist was convicted of four separate counts of battery after inappropriately touching the patient. The OIG learned that the sentencing order prohibited the psychologist from practicing in the field of psychology in any manner until he provided the court with proof of certification from the Board of Examiners from the State of Illinois. The OIG also learned that the psychologist had at least two other complaints pending before the Illinois Department of Professional Regulation. The investigation also revealed that the school psychologist never informed anyone within CPS about his conviction or the sentencing order. Following the OIG investigation, the school psychologist was terminated from his position.

CONTRACTS INVESTIGATIONS UNIT FORENSIC AUDITING UNIT

- The OIG completed an investigation of a Chicago Board of Education Capital Improvement Program general contractor that was paid \$2.8 million in two contracts for provision and installation of exterior fencing throughout the school system. The investigation disclosed that the general contractor, its officer and employees fraudulently misrepresented to the CPS that it paid more than \$1 million to Minority and Women Owned Businesses as part of its compliance with the Board of Education's plan for minority participation on construction contracts. This contractor represented through affidavits and other documents that it had paid these monies to minority contractors, when in fact it had kept all the monies for itself. The general contractor caused two minority subcontractors to falsify waivers of lien for submission to the CPS so that the general contractor could be paid by the CPS, even though these two subcontractors performed no work. The investigation also revealed that the general contractor paid at least one of the minority subcontractors monies for the use of its name on CPS bid and payment documents even though the subcontractor performed no work on the contracts. On affirmative action forms, the general contractor reported that it paid a janitorial service firm more than \$600,000 to paint pre-coated fencing and more than \$58,000 to a carpet installation company to supply fencing hardware. The general contractor also failed to keep several appointments with the OIG to discuss his actions and also failed to produce documents pursuant to an OIG subpoena. The Law Department is reviewing the OIG investigative findings for potential debarment and other civil remedies.
- A subcontractor alleged that a general contractor failed to pay it for electrical work performed at an elementary school and submitted an altered photocopy of a check to CPS Department of Procurement and Contracts to intentionally mislead CPS into believing that the subcontractor's complaint lacked merit. The results of the investigation not only substantiated the subcontractor's allegations, but also revealed that the general contractor misrepresented his educational background on City of Chicago certification documents. As a result, this case was referred to the Law Department for appropriate action.
- A subcontractor failed to pay 17 of its employees who installed security window screens at 12 Chicago Public Schools prevailing wages and benefits. The subcontractor ultimately settled the wage claims with the Illinois Department of Labor for \$395,619 and a \$79,303 penalty.

- It was alleged that an electrical subcontractor failed to pay four workers prevailing wages and benefits for work they performed on a CPS project. The results of the investigation substantiated the allegation against the subcontractor and also indicated that the general contractor was subject to discipline for violating CPS procedures when it replaced the errant subcontractor. As a result, this case was referred contemporaneously to both the Illinois Department of Labor and Law Department for appropriate action.
- Responding to a complaint from the Law Department, the OIG investigated the relationship between a principal of an elementary school and an educational services company doing business with the school. The OIG investigation revealed that after the principal was originally rejected by the elementary school's principal selection committee, he elicited the assistance of the owner of the educational services company who purportedly was friends with several members of the principal selection committee. The investigation revealed that the principal selection committee selected the principal as one of the three finalists for the principal position. The principal was then selected by the Local School Council and began working as principal in July 2000.

Soon after assuming his duties, the principal recommended to the LSC that it select the educational services company as the school's external partner. The company was subsequently selected as the school's external partner and six days after an agreement was entered into between CPS and the educational services company, the principal approved payment of the total \$60,000 contract amount to the company. The company was also paid an additional \$30,000 for consultant services purportedly rendered to the school. The OIG investigation revealed that the principal authorized payments to the educational service company prior to the delivery of some of the services and products agreed upon. Some services and products were not delivered, even though they had been paid for and the LSC subsequently voted not to renew the school's contract with the educational services company. When the owner of the company became angry with the principal because the company's contract with CPS was not renewed, she faxed the principal two letters in which she divulged the existence of an agreement between her and the principal that she would help him acquire the principalship in exchange for the educational services company being given school work for four years.

The results of the investigation were forwarded to the Law Department. As a result of the OIG investigation, the principal resigned from CPS. The Law Department is reviewing the OIG investigative findings for possible debarment or other civil remedies.

- In a follow-up investigation, the OIG learned that a sister of the owner of the educational services company was an employee of CPS. The owner's sister was listed on Articles of Incorporation as Secretary and Director of the educational services company. The investigation revealed that the CPS employee never disclosed this fact, as

required, on any Statements of Economic Interest she was required to file with CPS. The OIG investigative findings were forwarded to the Law Department for potential disciplinary action.

- It was alleged that a plumbing subcontractor violated state laws and Board policies during the removal of pipe insulation and ceiling tiles containing asbestos at an elementary school. The results of the OIG investigation did not sustain the allegations against the subcontractor. The investigation, however, uncovered facts that indicated the school engineer improperly removed and disposed of the insulation because he had not received adequate training in the removal and disposal of hazardous waste. The results of the OIG investigation further showed that the principal might have also inadequately supervised the engineer's job performance. As a result, this case was referred to the Law Department for appropriate action.
- It was alleged that an asbestos abatement subcontractor failed to pay 12 of its employees prevailing wages and benefits for work they performed on six Chicago Public School projects from July 1998 through October 1998. The OIG initiated an inquiry, which showed that the subcontractor failed to pay at least eight of the 12 laborers approximately \$60,000. The OIG referred the complaint to the Illinois Department of Labor for further investigation. The Illinois Department of Labor found that the subcontractor violated the Illinois Prevailing Wage Act relative to the six CPS projects at issue and underpaid the workers a total of approximately \$78,900. The subcontractor and the Illinois Department of Labor subsequently settled the claims for \$41,250. As a result, the OIG referred the results of the Illinois Department of Labor's investigation to the Law Department for appropriate administrative action.
- The OIG investigated an allegation that an employee of a CPS Project Management company had an improper relationship with two companies that did business with CPS. The OIG investigation revealed that the employee worked as a paid consultant for a company that did business with CPS at the same time he was working for the project management company that recommended the use of the company that the employee was a paid consultant for. The employee also admitted that he performed much of his day-to-day work as a consultant while he was purportedly working for the CPS project management company. The employee was initially suspended then resigned from the project management company.
- After receiving a complaint that the president of a company doing business with CPS was a convicted felon, the OIG initiated an investigation that included a review of the company president's criminal history and documents the company president had submitted to CPS and the City of Chicago. The OIG investigation revealed that the president of the company admitted to having been convicted for failing to file tax returns for two years. This conviction, the OIG learned, did not preclude the company from doing business with CPS. However, the OIG investigation also revealed that the president of the company made inaccurate and incomplete disclosures in documents

he filed with the City of Chicago and CPS. The investigative findings were forwarded to the Law Department.

- The OIG began investigating an allegation that a CPS vendor failed to pay its employees the prevailing wage as required by law. During the course of the investigation, the OIG learned that the president of the company submitted false social security numbers for some of his employees on certified documents required to be filed with CPS. The investigation also revealed that the president of the company submitted copies of checks to the OIG to reflect that he, in fact, had resolved the prevailing wage issues although no such payments had been made. The OIG referred its investigative findings to the Law Department and the Illinois Department of Labor.
- The OIG investigated an allegation that a bus company failed to conduct a criminal background check of a bus driver as required by the Illinois School Code. The investigation began after the bus driver was accused of inappropriately touching an eleven year-old student. The OIG investigation revealed that the bus driver had been accused of a similar incident prior to his employment with the bus company. The investigation further revealed that the bus company performed the required background check of the driver when he began employment with the company, however, the background check did not reveal the prior incident, which at the time of the background check was still pending in criminal court. As such, the bus company followed the requirements established in the School Code. After he began employment with the bus company, but prior to being accused of the second incident, the bus driver was convicted of the first incident.

Although the bus company did not violate the provisions of the School Code or its contractual obligations, the facts of the investigation revealed that the bus company hired a driver who had a pending criminal case wherein he was charged with the inappropriate touching of a young girl. He subsequently committed the same conduct and was again arrested after he began employment with the bus company. In an attempt to prevent vendors from hiring employees in this type of situation in the future, those potential employees that pose a threat to the safety of school children, the OIG made some recommendations to tighten vendor screening of employees. The OIG recommended that job applications vendors use be standardized to include requesting applicants to indicate if they are or ever have been a defendant in civil or criminal litigation in which the applicant was accused of physical or sexual abuse or other deviant behavior that falls within the parameters of those offenses enumerated in the School Code that would preclude employment by a school district or school vendor who has contact with children.

- The OIG conducted a study of the efficiency and effectiveness of the CPS' system of delivery of internal and U.S. Postal Service mails. The study disclosed a lack of contracts for all vendors and unauthorized payments made to a vendor through the Central Office Property Advisor. Testing disclosed that fully 86% of mail that was not properly addressed was not delivered. This result was determined to be attributable to the private mail service company not following the written procedures for such mail and lack of supervision of this vendor. In addition, the study revealed:
 - ◆ Mailroom staffs were not allowed access to the computer system that contained the names and location of CPS Central Office employees to facilitate the delivery of the mail. As a result of the study, mailroom staff was given access to this system.
 - ◆ The CPS did not have a functional directory that would assist mailroom staff in identifying the names and locations of key staff and functions.

The contract with the mailroom operator did not contain performance and quality control standards. CPS management responded that a new RFP would be drawn up and would include such standards in the resultant contract.

MEDIATION

- An electrical contractor failed to complete the installation of wiring in an elementary school, leaving the job unfinished as well as creating a fire hazard. After the intervention of the Mediation Group, the work has been satisfactorily completed, including the installation of a firewall, at no additional cost to CPS.
- When a contractor failed to repair holes in an elementary school's ceiling during the course of renovation, intervention by the Mediation Group was requested. The repairs were then completed to the school's satisfaction, at no additional cost to CPS.
- The OIG Mediation Group contacted the principal and engineer of a high school after receiving an anonymous tip that the ventilation system did not function properly. Apparently the contractor which installed the system fitted it with the wrong-sized filters. The matter was resolved when the correct filters were put into place.
- A company hired to install surveillance equipment at an elementary school failed to comply with the contract specifications. The company then failed to respond to several complaints regarding the inoperable transformer and several electrical boxes left uncovered. Once the OIG Mediation Group stepped in, the company agreed to inspect the equipment and make the necessary repairs.
- A subcontractor failed to install windows at an elementary school as required by the contract specifications. Some of the windows were difficult to open and others slammed shut once opened. After the Mediation Group intervened, the subcontractor agreed to inspect the windows and make the necessary repairs.
- In another instance, an award was made for installation of exterior doors and locks at an elementary school. Several of the installations were made haphazardly, with gaps around doors and locks, and locks failing to disengage. The project manager apparently ignored the school engineer's complaints until contacted by the OIG Mediation Group. The situation was rectified promptly at no additional cost to CPS.
- A general contractor failed to comply with the contract specifications on a construction project at an elementary school. After the Mediation Group intervened, both the school's property advisor and the general contractor agreed to comply with the contract.

- A property advisor failed to approve an emergency work order to remove exposed insulation containing what appeared to be asbestos from several areas surrounding the pipes and boilers at an elementary school. After the Mediation Group intervened, the property advisor agreed to have the insulation tested for asbestos and to take the appropriate remedial actions.
- An elementary school playground was left in the dark until the Mediation Group convinced the school's property advisor to take responsible action. Earlier, a contractor accidentally cut the outdoor lighting cable while installing fence posts in the schoolyard. The property advisor agreed to resolve the problems and the lights are back on.
- An electrical subcontractor was awarded a contract to repair an exhaust fan motor at an elementary school. The exhaust fan, however, malfunctioned soon after the subcontractor installed a rebuilt motor. The subcontractor agreed to make the necessary repairs after the Mediation Group intervened.
- A billing disparity was successfully mediated by the OIG when a construction company finally agreed to reduce its pricing to match the amounts originally set forth in the contract to perform work at an elementary school. The overbilling would have cost CPS \$5,950.
- A sign, which had been recently installed at an elementary school, malfunctioned. While the contractor responded to the initial call, they failed to make the repairs and then ignored several phone calls from the school. The Mediation Group was able to persuade the vendor to make the necessary repairs in a timely fashion.
- A subcontractor claimed that it had not received payment for services rendered at a high school and refused to service its contract to clean staff uniforms. The subcontractor attempted to forcibly remove all the staff uniforms from the school and had to be escorted from the premises by school security. The Mediation Group intervened and acquired copies of the cancelled payment checks from CPS' Accounts Payable Department, which the investigator forwarded to the subcontractor. The subcontractor resumed service soon thereafter.
- A property advisor failed to respond to a school's request for an emergency work order to have rubbish removed from the boiler room, basement, and crawl spaces because it created a fire hazard. The property advisor removed the rubbish after the school referred the complaint to the Mediation Group.
- An electrical subcontractor failed to install replacement lights as required by the contract specifications in classrooms at an elementary school. After the Mediation Group intervened, the subcontractor agreed to comply with the contract and make the necessary repairs.

- A subcontractor was hired to perform electrical work at an elementary school. The subcontractor failed to complete the work in a timely manner as required by the contract specifications. After the Mediation Group intervened, the subcontractor completed the work.
- An elementary school received an invoice instead of the repairs to an intercom system as requested. The contractor subsequently filed for bankruptcy – still having ignored the fact that they made no repairs. Since no work was done the school rejected the bill, but that didn't stop the contractor's lawyers from demanding payment. The Mediation Group, along with CPS' Law Department advised the school and the contractor's lawyer that it was not obligated to pay.
- In two separate cases, a subcontractor was awarded contracts to install Lexan replacement windows at two elementary schools. The subcontractor, however, failed to complete the projects in a timely manner but then agreed to expedite the window installations after the Mediation Group intervened.
- A subcontractor charged an elementary school \$1,399 to repair a security camera but refused to make subsequent service calls unless the school paid \$120. After the Mediation Group intervened, the subcontractor agreed to not only resolve the service call issue, but to also collaborate with the school to achieve a long-term solution to the recurring camera operation problems. The subcontractor subsequently agreed to sell the school a new security camera valued at \$4,500 for \$500, including a one year written warranty.
- A subcontractor installed lights in a high school gymnasium, auditorium, and swimming pool area but refused to replace them after the lights malfunctioned during the warranty period. The subcontractor, however, replaced the lights after the Mediation Group intervened.
- A contractor hired to replace windows and exterior doors in an elementary school failed to complete the installations as required by contract. Further, the windows did not fit and needed to be re-cut. While the contractor would not respond to the school engineer's complaints, they did agree to correct the problems once the Mediation Group intervened. The door installation is now completed and the windows have been repaired to the school's satisfaction.
- The Mediation Group was asked to help bring an elementary school's complaints to the attention of the contractor which had installed new windows at the school. The installation was considered a failure when large gaps were detected around at least one window. The property advisor and the school engineer both tried to rectify the situation with the contractor before asking the OIG to intervene. The window has been satisfactorily repaired at no additional cost to CPS.

- A subcontractor was hired to install doors at an elementary school. The doors were installed improperly and those in the main boiler room, lunchroom, and A building did not lock when closed. The subcontractor agreed to make the necessary repairs after the Mediation Group intervened.
- A video camera, which was recently installed at an elementary school, malfunctioned. The contractor who completed the installation, refused to bring the camera into working order even after repeated requests by the school's engineer to do so. The OIG Mediation Group contacted the contractor and all repairs were made.
- A possible tragedy was averted when the OIG mediated the resolution of a problem caused by the unresponsiveness of a contractor. It was discovered during a fire drill at an elementary school that a contractor failed to connect the school's fire alarm to the Chicago Fire Department when it repaired the alarm panel in the boiler room. Even after notification of this severe infraction, the contractor failed to respond to the school engineer. They did, though, respond to the Mediation Group and quickly replaced the circuit board.
- A property advisor failed to respond in a timely manner to an elementary school's request for an emergency work order authorizing the installation of two main entrance doors. The Mediation Group intervened and contacted the property advisor, which agreed to expedite the door installation.
- A subcontractor was hired to install a glass panel in the main entrance of an elementary school addition. The glass panel was not installed as required by the contract specifications and water leaked into the building around the window edges when it rained. The subcontractor agreed to reseal the windows at no additional cost to the school after the Mediation Group intervened.
- An elementary school nearly fell prey to a supplier scam. In this instance, several gallons of floor wax were shipped, unsolicited, to the school along with a demand for payment. When the vendor was unresponsive to exhortations that the school never ordered the floor wax, the engineer was wise enough to call the OIG for help. The Mediation Group notified the vendor it was to accept the return of the floor wax and cease demanding payment for goods or the restocking fee.
- A contractor was hired to install new windows at an elementary school. Although the contractor completed the window installations, the windows were not installed as required by the contract specifications. Some of the windows were missing interior screens and had broken latches and frames. After the Mediation Group intervened, the contractor agreed to make the necessary repairs covered by warranties.
- When replacement windows were improperly installed at an elementary school, the school engineer requested the help of the Mediation Group which obtained an agree-

ment from the contractor to resolve the problems.

- A subcontractor was hired to install control panels for two new boilers at an elementary school. The control panel for one of the boilers, however, malfunctioned less than one year after it was installed and caused approximately \$30,000 in damages to the boiler. After the Mediation Group intervened, the subcontractor agreed to not only perform the necessary repairs, but to also share the repair costs with the general contractor.
- A subcontractor was awarded a contract to perform landscaping work at an elementary school but it failed to comply with the contract specifications. After the Mediation Group intervened, the subcontractor began to cut grass, trim bushes, and pull weeds as required by the contract.
- A subcontractor was awarded a contract to perform landscaping services at an elementary school but it failed to comply with the contract specifications. Topsoil was missing in certain areas, not all the trees ordered were planted, and grass in certain areas was not replaced. The subcontractor corrected the problems to the school's satisfaction after the Mediation Group intervened.
- A subcontractor was hired to repair the heating system in an elementary school classroom for \$500. The subcontractor accepted payment for the work but it had not made the necessary repairs. After the Mediation Group intervened, the subcontractor and the school reached an accord and satisfaction whereby the subcontractor agreed to make \$700 in other repairs in lieu of a cash reimbursement.
- A leaking window installation brought the Mediation Group to the rescue of a school with a wet foyer. A three-story glass panel, which was installed over the main entrance of an elementary school, leaked around the edges whenever it rained. The school's engineer was unable to get the contractor to respond to his complaints. The Mediation Group intervened and the window was inspected and re-caulked by the contractor at no additional cost to CPS.
- A security company was awarded a contract to install a surveillance system at an elementary school. The subcontractor, however, failed to install the security equipment as required by the contract specifications and it malfunctioned soon after it was installed. The subcontractor agreed to make the necessary repairs after the Mediation Group intervened.
- A subcontractor was awarded a contract to perform tuckpointing work at an elementary school but the work did not comply with the contract specifications. After the Mediation Group intervened, the subcontractor agreed to make the necessary repairs.
- Punchlists enumerating tasks left unfinished are to be submitted by subcontractors

upon completion of their work. The OIG mediated a complaint against a general contractor's work on an addition to an elementary school, regarding the lack of punchlists from their subcontractors. All repairs were completed expeditiously, at no charge to CPS.

- An elementary school stored its furniture at an off-site facility while the school was being renovated. The movers were to deliver the furniture back to the school on a particular date, but did so after hours when the maintenance staff was gone for the day. Since no one was available to unload the truck, the movers returned to the storage facility and refused to make the delivery until it received an additional \$600 fee plus a daily truck charge. The OIG Mediation Group negotiated an agreement to deliver the furniture and settle the delivery charges to the satisfaction of both parties.
- An intervention by the Mediation Group motivated a construction contractor to ensure their subs complied with contract specifications and completed the punchlists as required. Prior to the Mediation Group's involvement, an elementary school engineer found the contractor unresponsive to his complaints.
- The OIG received a complaint regarding a contractor that was hired to repair two water pumps at an elementary school, but failed to do so. They did, however, manage to bill the school engineer \$1,361.19 for their alleged time, based on a work order. The Mediation Group urged the school's property advisor to cancel the work order and have the invoice dismissed.
- A general contractor that was awarded a high school renovation failed to complete the project as required by contract specifications. The contractor was notified that the punchlist was incomplete, but still failed to respond to complaints. Once the Mediation Group became involved in the dispute, the general contractor readily agreed to expedite the completion of the project to everyone's satisfaction.
- A general contractor was awarded a contract to perform work on an elementary school building link and elevator. Less than one year after the work was completed, nails pierced the elevator floor and the flooring in the building link loosened. The contractor agreed to make the necessary repairs after the Mediation Group intervened.
- A subcontractor was hired to install a new parking lot and drainage system at a high school. The subcontractor, however, failed to install the drainage system as required by the contract specifications. Large ponds of water formed in the parking lot when it rained and took several days to drain. The subcontractor agreed to make the necessary repairs after the Mediation Group intervened.
- A general contractor was hired to perform construction work at an elementary school. Although the contractor completed most of the work, some of the fire doors did not fit properly, the cement cracked, the second floor leaked because it was not properly

sealed, the elevator repeatedly malfunctioned, and some of the baseboards needed to be re-caulked. The contractor agreed to make the necessary repairs covered by warranties after the Mediation Group intervened.

- A subcontractor was hired to install an illuminated exterior sign at a high school but failed to complete the work within one year. After the Mediation Group intervened, the subcontractor completed the sign installation and related repairs to the school's satisfaction.
- A subcontractor was hired to supply and install 40 chairs and desks at an elementary school. Although the subcontractor delivered the furnishings to the school, it refused to install the desks as required by the contract specifications. After the Mediation Group intervened, the subcontractor agreed to install the desks to the school's satisfaction.
- A subcontractor was awarded a contract to provide new furnishings at an elementary school. Although the subcontractor supplied the furnishings, some of the chairs were broken and some of the desks were missing parts. After the Mediation Group intervened, the subcontractor agreed to make the necessary repairs and replacements.
- A subcontractor was hired to install a dishwasher at an elementary school. The dishwasher malfunctioned six months after it was installed and the subcontractor charged the school \$400 for a service call. After the school refused to pay the invoice, the subcontractor referred the unpaid bill to a collection agency. The general contractor agreed to pay the invoice after the Mediation Group notified it of the problem.
- A property advisor failed to timely respond to a school's request for a work order to have two storage tanks removed and the water supply lines re-piped. After the school referred the complaint to the Mediation Group, the property advisor resolved the problems to the school's satisfaction.
- A subcontractor was hired to install a rolling partition between two elementary school classrooms. The partition, however, did not operate properly. School employees were unable to push the partition completely back and the top of the partition began to tear. The subcontractor repaired the partition at no additional cost to CPS after the Mediation Group intervened.
- Upon receiving a complaint from an elementary school's engineer that the property advisor refused to issue a work order for boiler repairs, the Mediation Group intervened. The property advisor issued the work order and the repairs were then made.
- A subcontractor failed to properly paint certain doors and walls at an elementary school in a timely manner. The subcontractor agreed to expedite the repainting of the walls and doors to the school's satisfaction, however, after the Mediation Group inter-

vened in the dispute.

- A subcontractor was awarded a contract to lay a new roof at an elementary school. The new roof, however, began to leak after the work was completed. The contractor agreed to make the necessary repairs after the Mediation Group intervened.
- A plumbing subcontractor was hired to install a new sink in the boiler room and retrofit fountain handles at an elementary school for \$800. The subcontractor, however, did not complete the work and charged the school \$1,711. After the Mediation Group intervened, the subcontractor refunded the school \$720.
- The Mediation Group was called to intervene when a contractor on an elementary school renovation refused to install heating system software as required by contract. The contractor and the software provider were both contacted by the Mediation Group and agreed to expedite completion of the work at no additional cost to CPS.
- The Office of the Inspector General received a complaint about a contractor hired to repair a leaking water pipe at an elementary school. The repair was made but an overcharge of \$227 was billed the school. Once the Mediation Group discussed the overcharge with the school's property advisor and the contractor, the contractor agreed to reimburse the money.
- A subcontractor was hired to install an exhaust fan and baseboard heater at a high school. The subcontractor, however, failed to comply with the contract specifications. After the Mediation Group intervened, the subcontractor agreed to make the necessary repairs.
- A subcontractor was hired to install seven window air conditioners and to replace malfunctioning air conditioners at an elementary school. The subcontractor failed to complete the work in a timely manner as required by the contract specifications. After the Mediation Group intervened, the subcontractor completed the work to the school's satisfaction.
- A subcontractor was hired to paint all the student washrooms at an elementary school. The paint in several washrooms began to peel, however, within one year after the work was completed. The general contractor and the subcontractor agreed to repaint the bathrooms at no additional cost to CPS after the Mediation Group intervened.
- A contractor did such a poor job of following the painting specifications of its contract that the elementary school's engineer refused to let them back into the school. Specifications indicated the walls were to be washed then one coat of primer and two coats of paint were to be applied. The engineer alleges that the work was sloppy, some areas were not properly painted, and paint started to bubble and chip off the walls even before the work was completed. Cabinets were not moved – just painted around. The

Mediation Group's investigator agreed that a properly painted wall would not chip by scratching with one's fingernail, as it did with the investigator's test. The engineer chose to make all repairs with his own staff.

- A subcontractor was hired to buff an elementary school gym floor. The floor, however, faded within seven months after the work was completed. The subcontractor agreed to make the necessary repairs after the Mediation group intervened.
- A subcontractor was awarded a contract to install an iron fence around an elementary school basketball court and part of the school building. The work, however, failed to comply with the contract specifications. The gate, support columns, and bolts loosened within six months after the work was completed. The subcontractor repaired the fence after the Mediation Group intervened.
- A subcontractor was awarded a contract to lay a new roof at an elementary school. The new roof, however, began leaking nine months after the work was completed. The subcontractor agreed to make the necessary repairs at no additional cost to the school after the Mediation Group intervened.
- A subcontractor was hired to paint classrooms and hallways at an elementary school. The paint, however, began to peel and bubble soon after the work was completed. The subcontractor repainted the classrooms and hallways to the school's satisfaction at no additional cost to CPS after the Mediation Group intervened.
- A subcontractor was awarded a contract to install a wrought iron fence at an elementary school. The subcontractor, however, failed to complete the work in a timely manner as required by the contract specifications. The subcontractor agreed to complete the work to the school's satisfaction after the Mediation Group intervened.
- A subcontractor was hired to install a cyclone fence, including a gate on rollers, around the school parking lot. The subcontractor installed the fence but the gate broke four months after it was installed. The subcontractor repaired the gate at no additional cost to CPS after the Mediation Group intervened.
- A subcontractor was hired to install tile flooring at an elementary school. The tile, however, began dislodging in several areas soon after the work was completed. After the Mediation Group intervened, the subcontractor agreed to correct the problems.
- A property advisor failed to timely comply with a request from CPS' Department of Operations in 2000 to solicit bids for the installation of new floor tile in the school lunchroom and teacher's lounge. The project was initially scheduled to begin in August 2000 but had not been initiated by June 2001. The Mediation Group intervened and contacted the property advisor, which agreed to initiate the project and expedite completion of the work.

- An elementary school leased a photocopier from a vendor but the copier repeatedly malfunctioned. After the Mediation Group intervened, the vendor agreed to sell the copier and a new service agreement to the school at a price the school considered reasonable.
- A subcontractor initially refused a school's request that the subcontractor pay \$1479 for elevator, dishwasher, and plumbing warranty repairs. The subcontractor agreed to pay the unpaid invoices, however, after the Mediation Group intervened in the dispute.
- A subcontractor was hired to prepare a high school garden for the implantation of flowers and other vegetation. The subcontractor failed to lay 18 inches of topsoil as required by the design specifications and, as a result, the vegetation could not be planted. After the Mediation Group intervened, the subcontractor agreed to comply with the contract specifications.
- The renovation of an elementary school consisted, in part, of a new gym floor. The floor shortly began to peel and bubble. When the contractor failed to make the repairs, the school engineer contacted the Mediation Group which, in turn, contacted the installer who agreed to make the repairs.
- A subcontractor installed tile flooring at an elementary school but the tile began dislodging six months after the work was completed. After the Mediation Group intervened, the subcontractor agreed to make the necessary repairs.
- A subcontractor was hired to service elevators at a self-directed elementary school. The general contractor mistakenly paid the elevator repair company \$577 but the elevator repair company refused to reimburse the school. After the Mediation Group intervened and contacted CPS' Department of Procurement & Contracts, the \$577 was restored to the school's budget.
- In two separate cases, an iron fence, which was to be installed surrounding two elementary schools, never went up. The Mediation Group contacted CPS' Department of Operations, which, in turn, put the projects out for re-bid. The fences were subsequently installed by another subcontractor.
- A vendor refused to install a photocopier at an elementary school after the school leased the equipment from the vendor. The vendor demanded that it receive the original lease agreement as a prerequisite to performing service calls but the school refused to relinquish custody of the original agreement. The Mediation Group resolved the deadlock by having the vendor and school execute two original agreements.

- A subcontractor was hired to perform landscaping work at an elementary school. Although the contract specifications required the subcontractor to both install and maintain the sod for the first 30 days after installation, the subcontractor failed to maintain the sod. The subcontractor agreed to comply with the contract specifications after the Mediation Group intervened.
- A subcontractor was hired to sand and varnish several elementary school classroom floors. The subcontractor initiated but did not complete the work as required by the contract. After the Mediation Group intervened, the subcontractor returned to the school and completed the project.
- A subcontractor charged an elementary school \$1,095 to clean-up mercury after two thermometers were accidentally broken at the school, although the parties had originally agreed to a \$250 fee. The Mediation Group intervened and contacted the subcontractor, which ultimately acknowledged that it had performed additional work at the school without authorization. As a result, the subcontractor agreed to abide by the parties original \$250 agreement.
- A subcontractor was awarded a contract to perform landscaping services at an elementary school but it failed to cut the grass at least three times monthly and fertilize the grounds as required by the contract specifications. After the Mediation Group intervened, the subcontractor corrected the deficiencies.
- An elementary school hired a subcontractor to install a replacement tractor engine and return the tractor to the school. The replacement engine continually malfunctioned, however, even after numerous repairs. The Mediation Group intervened and contacted the subcontractor, which agreed to repair the engine to the school's satisfaction and return the tractor to the school in a timely fashion.