

For Immediate Release: Thursday, December 7, 2017

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OIG Recommends Termination of CPS CEO Forrest Claypool for Ethics Violation Cover-Up and Lies

Chicago — Following a thorough investigation, CPS Inspector General Nicholas Schuler has recommended that Forrest Claypool be terminated as CEO of the Chicago Public Schools.

This is a serious decision that the IG did not make lightly. However, the IG concluded this office would have recommended termination if any other employee had committed similar transgressions. The CEO of the city’s public schools cannot be held to a lesser standard.

The initial issue under investigation — whether CPS General Counsel Ronald Marmer’s supervision of CPS-commissioned work by Jenner & Block while Marmer was in the midst of receiving a roughly \$1 million separation payment from the firm — was a relatively easy call.

CPS’s three-member Ethics Committee and a fourth high-level CPS Law Department attorney unanimously agreed that Marmer’s work constituted “contract management authority” over a firm with which Marmer had an existing “business relationship” based on his exit payments. This was a violation of the CPS Code of Ethics, all four CPS attorneys concluded.

Not satisfied with these determinations, Claypool and Marmer obtained two outside legal opinions, neither of which fit their needs. One of these outside attorneys, a longtime labor lawyer who represents the district, even suggested two relatively easy solutions. He said Claypool could remedy the ethical dilemma by removing Marmer from all work involving Marmer’s former firm or by asking Board members for an exception to the Ethics Code. However, at that point in time, evidence showed, Jenner & Block had already performed work on the case, and Claypool said he did not want to address the situation in a way that would “go public.” When the attorney attempted to hand Claypool a legal opinion with these recommendations, Claypool refused to accept it.

Claypool then hired a seventh attorney, whom he has known since he was in college and who had contributed \$5,000 to Claypool's past political campaigns. This attorney issued a legal opinion in which he concluded that no ethics violation had occurred, but he failed to address the issue that the previous six attorneys had determined to be dispositive — whether Marmer was improperly exercising “contract management authority” over Jenner’s work while having a “business relationship” with the firm.

What followed can only be described as a campaign of subterfuge in which Claypool: released only the seventh opinion to the media while the case was under investigation; downplayed the full extent of Marmer’s work to Board President Frank Clark in advance of a Board vote on the Jenner & Block contract of up to \$250,000; refused to pay for one legal opinion that did not fit his needs; ensured that the language on a second legal bill was changed to hide all mention of “ethics” work; refused to leave a closed-door OIG Board briefing on the investigation; lied repeatedly to the OIG; and released misleading information to the press during the investigation despite a request for confidentiality.

Most recently, Claypool contended on November 17, in a publicly released letter, that he had told the OIG that he “did not recall” asking for changes to the second legal bill but had since realized, based on documents the OIG had shown him, that he had made a “mistake” by saying that.

However, during two separate interviews, Claypool repeatedly and emphatically insisted he had never asked for any changes. Claypool suggested that dealing with bills was beneath him. At one point, Claypool said he runs a \$5.6 billion operation and “I’m not looking at freaking bills.”

As CEO, Claypool sets the standard for ethical conduct for the rest of the district. In this, he has sadly fallen far short. Allowing him to remain as CEO would send a signal to all other CPS employees that it’s okay to manipulate official CPS documents and lie during the course of an OIG investigation. This cannot be tolerated.

Concerning General Counsel Marmer, the IG found that he violated the CPS Code of Ethics by exercising “contract management authority” over a firm with which he had a “business relationship.” He erred in helping Claypool attorney-shop for an opinion on an issue that clearly involved him. However, his misconduct was less severe. There is no proof he changed records or lied to the OIG. The IG thus could not necessarily recommend Marmer’s termination. The IG asked Board members to impose the discipline they consider appropriate, up to and including termination.

A copy of the [Executive Memo](#) that the OIG submitted to the Board can be found online at the OIG’s website: www.cpsoig.org.

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