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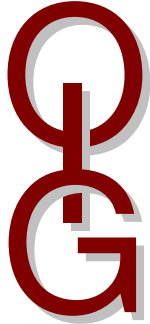
**July 1, 2005 – June 30, 2006**

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**OF THE CHICAGO BOARD OF EDUCATION**

**JAMES M. SULLIVAN  
INSPECTOR GENERAL**

Prepared pursuant to 105 ILCS 5/34-13.1(e)



**2006 Annual Report**  
**July 1, 2005 - June 30, 2006**

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of the Chicago Board of Education

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**James M. Sullivan, Inspector General**

# **CITY OF CHICAGO**

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of the  
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*December 16, 2006*

This *Annual Report* is being provided to the Chicago Board of Education and the Illinois General Assembly pursuant to the Illinois School Code, specifically 105 ILCS 5/34-13.1(e). The School Code authorizes the Office of the Inspector General (“OIG”) for the Chicago Board of Education to conduct investigations into allegations of or incidents of waste, fraud, and financial mismanagement in public education within the jurisdiction of the Board. The OIG has also been charged with the responsibility of investigating allegations of various categories of employee misconduct. This *Annual Report* is a summary of reports and investigations for Fiscal Year 2006, the period between July 1, 2005 and June 30, 2006.

***Mission Statement***

The mission of the Office of the Inspector General is to ensure integrity in the operations of the Chicago Public Schools (“CPS”) by conducting meaningful, accurate and thorough investigations into allegations of waste, fraud, financial mismanagement and employee misconduct. The OIG also reviews CPS systems, practices and procedures to determine their efficacy in preventing waste, fraud and financial mismanagement.

***Procedure***

The OIG receives complaints and conducts investigations of allegations of misconduct by CPS vendors, including over-billing and double-billing, fraudulent misrepresentations, compliance with minority and women owned business participation requirements and various violations of contractual provisions. Concerning CPS employees, the OIG investigates allegations of misconduct including falsification of attendance records, theft, misappropriation of funds, misuse of the internet, residency, on-duty and off-duty criminal violations, mismanagement, falsification of employment records, violations of the CPS Ethics Policy and other violations of Board Rules and CPS Policies. The OIG has also been charged with the responsibility of investigating allegations of students attending CPS while residing outside the City of Chicago, a violation of the Illinois Compiled Statutes.

Based on investigations conducted, the OIG also makes specific recommendations to the Board and CPS to increase the integrity and efficiency of CPS operations.

### ***The OIG***

The OIG is currently staffed with 17 full-time employees. For FY 07, the OIG was appropriated a \$1.7 million budget. These are the lowest staffing and budget levels in more than eight years, when the OIG's roles and responsibilities were expanded from its original configuration. Despite continued reduction in staff and budget, the OIG continues to conduct accurate, thorough and meaningful investigations resulting in increased integrity in CPS operations.

In FY 06, the OIG received 790 complaints alleging misconduct, waste, fraud and financial mismanagement within the Chicago Public School system. The OIG issued reports on 124 investigations. The OIG also closed 773 cases.

### ***Collaboration***

During the past year, the OIG has collaborated with numerous entities and agencies in the course of performing its investigatory function. These agencies include:

- Chicago Police Department
- Chicago Police Department Internal Affairs Division
- Chicago Fire Department Internal Affairs Division
- Chicago Park District
- City of Chicago
- City of Chicago Inspector Generals Office
- Cook County State's Attorney's Office
- Cook County Sheriff – Office of the Inspector General
- Office of the Executive Inspector General for the Agencies of the Illinois Governor
- Illinois State Toll Highway Authority Office of the Inspector General
- Illinois Department of Children and Family Services Office of the Inspector General
- Chicago Transit Authority Office of the Inspector General
- Illinois Secretary of State
- Illinois Secretary of State Office of the Executive Inspector General
- Social Security Administration Office of the Inspector General
- Federal Bureau of Investigations
- United States Attorney's Office for the Northern District of Illinois
- Illinois Department of Labor
- Illinois Department of Transportation
- Illinois Attorney General
- Chicago Housing Authority

- U. S. Department of Education Office of the Inspector General
- U.S. Postal Inspection Service
- U.S. Citizenship and Immigration Services
- Cook County Treasurer's Office
- Cook County Recorder of Deeds
- Illinois State Board of Education
- Various local municipalities
- Various Universities and Colleges

### ***Training***

Many employees of the OIG are members of the Association of Inspectors General, a national organization of state, local and federal inspectors general and their staffs. Myself and the Deputy Inspector General continue to perform a leadership role in the AIG. The AIG offers training seminars and certification institutes for members as well as networking opportunities. Currently, five OIG employees have received the designation of Certified Inspector General after undergoing training by the AIG. Participation in the AIG also allows the OIG to be trained in best practices in the performance of the Inspector General function.

Locally, the OIG collaborates with IG offices from other state and local agencies to train all staff in a variety of investigation and audit related areas.

### ***Results***

In the past year, investigations conducted by the OIG, which were documented in previous *Annual Reports*, have resulted in criminal prosecution, convictions, restitution and sentences that continue to deter others considering perpetrating fraud against CPS. Specifically,

- A window installation company, previously investigated for creating a bogus minority-front company to purportedly comply with minority participation requirements on CPS contracts, paid CPS restitution of more than \$89,000 following the conviction of its owner in federal court.
- An agent of the window installation company plead guilty in federal court to her role in the minority-front scam and was sentenced to probation and fined.
- The president of a fence installation company was indicted in federal court and charged with mail fraud after an OIG investigation revealed that he engaged in a minority contracting scam and over-billed CPS more than \$200,000 for snow-plowing work that was never performed. The president of the company recently plead guilty to mail fraud and is awaiting sentencing.
- A former CPS employee was charged in the same indictment with conspiracy to commit bribery and income tax evasion for his role in the minority contracting and over-billing scams.

In the current reporting year, OIG investigations have yielded criminal charges in cases including the theft of more than \$450,000 from a CPS high school and the theft of \$57,000 from an elementary school. Other investigations reported in the following summary of cases are also being reviewed by various law enforcement authorities for potential criminal prosecution. The CPS Law Department is also aggressive in pursuing civil remedies and the recovery of losses incurred by CPS.

### ***Summaries***

The case summaries contained in the following pages reflect OIG investigations categorized as miscellaneous investigations, investigations of contractors, residency investigations, tuition fraud investigations and court watch cases. These summaries reflect the wide-ranging investigative responsibilities assumed by the OIG.

As in the past, the OIG is poised to perform its statutorily mandated duties and continue to accurately, thoroughly, and fairly investigate allegations of misconduct in the Chicago Public School system despite continued reductions of budget and staff.

The OIG would like to thank the Chicago Board of Education and CPS administration for continued cooperation and support.

James M. Sullivan  
Inspector General

## Miscellaneous Investigations

- Following a high school principal's retirement, the CPS Department of Audit Services conducted a routine transition audit at the high school. The auditors discovered some irregularities, including six school checks written to and endorsed by a CPS employee where the applicable school expenditure requisition and invoice reflected payment to a business in the employee's name and a fictitious payee name was recorded on the school's bookkeeping software. It was further discovered that one of the authorized signatories did not remember signing the checks and felt the signatures were not hers. Also, more than 70 checks that cleared the bank could not be located. Following the discoveries by the Department of Audit Services, the OIG was asked to conduct an investigation.

The OIG investigation, which included a review of five years of school bank records and internal account records as well as the personal bank records of the employee, revealed the following:

- 319 school checks were made payable to the employee.
- The 319 school checks made payable to the employee were cashed by the employee and/or deposited into one of two of the employee's bank accounts.
- The 319 checks totaled \$456,554.67 and ranged in amounts from \$297.89 to \$2,756.
- Some of the checks were recorded on the school's bookkeeping system as being written to various vendors.
- Some of the checks were recorded as being written to the employee and invoices from a business in the employee's name were found with the school's internal account records.
- The vast majority of the checks bore the signatures of the principal and assistant principal. A few of the checks written after the principal left the school bore the signatures of the assistant principal and school clerk. All signatories indicated that their signatures were forged.

During the course of the investigation, the employee admitted to the OIG that she had written school checks to herself and forged the signatures of the principal, assistant principal and school clerk on the checks. After making these admissions, the employee resigned from CPS employment.

The OIG forwarded the results of its investigation to the Cook County State's Attorney's Office. A Cook County Grand Jury subsequently indicted the employee for various counts of forgery, theft and official misconduct. The criminal case against the employee is currently pending in the Circuit Court of Cook County.



The OIG investigation also revealed that the school clerk assigned to the school failed to reconcile the school bank statements on a monthly basis in violation of the CPS School Internal Accounts Manual and failed to adequately perform the duties assigned to her.

- The OIG conducted an investigation after it learned that an elementary school principal may have stolen money from the school. The investigation revealed that, in fact, the principal stole more than \$57,000 of money intended for the school's internal account and used the money to gamble at local horse racing tracks. The investigation revealed that the principal was a compulsive gambler and had used school money to support his gambling habit for at least three years. The principal's thefts deprived the school of money collected for such things as graduation pictures, student events and trips, school dances, music equipment, athletic equipment and workbooks. Following the OIG investigation, the principal resigned from CPS employment and was designated as ineligible to be rehired. The matter was referred to the Cook County State's Attorney's Office which charged the principal with theft and official misconduct. The criminal case against the principal is pending in the Circuit Court of Cook County.
- The OIG conducted an investigation of an allegation that the engineering and custodial staff at a CPS high school were falsifying attendance records and not working a full day. During the course of the investigation, the OIG learned that the head engineer arrived at the school, on average, two hours after he had already been swiped-in by co-workers. The OIG also learned that the engineer had also been absent for an entire week, yet was recorded as present by co-workers. Two other members of the engineering staff were also swiped-in and out by each other and co-workers when they were not present at the school. The investigation further revealed that two members of the custodial staff also falsified the attendance records of the engineering staff. When confronted with the results of the OIG investigation, the head engineer immediately retired from CPS employment. Following the OIG investigation, the other two members of the engineering staff retired and resigned, respectively. The two members of the custodial staff received school based discipline. Based on the criminal nature of the conduct engaged in by the engineering and custodial staff members, the OIG referred the results of the investigation to the Cook County State's Attorney's Office to review for potential criminal prosecution.
- A high school teacher was arrested and charged with the offense of aggravated unlawful use of weapons after the teacher's sport utility vehicle was stopped by the police and the teacher was found in possession of a handgun. The teacher admitted to the OIG that he possessed the gun. The criminal charges against the teacher are currently pending and the matter is being reviewed for potential discipline.

- The OIG conducted an investigation which revealed that an engineer and a custodial worker at an elementary school falsified their attendance records and received overtime pay to which they were not entitled. During the course of the investigation, the OIG learned that the engineer was allowed to process his own payroll and also the custodian's payroll. The OIG investigation revealed the following:
- During a twenty-six month period, the engineer received \$72,406.71 in overtime pay.
  - During a six-month period, the engineer received 484.25 hours of overtime and \$19,804.47 in overtime pay which was charged to a position number which supported capital improvements despite the fact that no capital work was performed at the elementary school during this period.
  - During an eleven-month period, the engineer received 764.25 hours of overtime and \$32,505.36 in overtime pay which was charged to a position number which supported a recreational program at schools despite the fact that the school did not have such a recreational program.
  - During a separate seven-month period, the engineer received 391.50 hours of overtime and \$17,317.58 in overtime pay which was charged to a position number which supported a recreational program at schools despite the fact that the school did not have such a recreational program.
  - During a twelve-month period, there were 101 instances where the engineer edited his start time on the CPS timekeeping system as arriving before the school's alarm was deactivated demonstrating that the edit times could not have been the accurate time that the engineer arrived at the school. These 101 instances accounted for more than 134 hours of inaccurate time being paid to the engineer, totaling more than \$3,900.
  - In an interview with the OIG, the engineer stated that he edited his arrival times, sometimes two to three hours before he actually arrived at the school.

Concerning the custodian, the OIG investigation revealed the following:

- During a twenty-six month period, the custodian received \$29,795.15 in overtime pay.
- During a seven-month period, the custodian received 372.50 hours of overtime and \$7,967.18 in overtime pay which was charged to a position number which supported capital improvements despite the fact that no capital work was performed at the elementary school during this period.
- During an eleven-month period the custodian received 588 hours of overtime and \$13,061.91 in overtime pay which was charged to a position number which supported a recreational program at schools despite the fact that the school did not have such a recreational program.
- During a separate seven-month period the custodian received 144 hours of overtime and \$3,326.78 in overtime pay which was charged to a position number which supported a recreational program at schools despite the fact that the school did not have such a recreational program.

- During a twenty-six month period, the custodian's time records reflect edited out times on 306 occasions.

Following the OIG investigation the engineer retired from CPS employment and forfeited his claim to payment for sick, vacation and personal business days totaling \$90,952.74, thereby repaying CPS for improperly received overtime payments. The custodian resigned and was designated as ineligible to be rehired.

- The OIG conducted an extensive investigation into an allegation that a CPS motor truck driver falsified his attendance records by parking his truck and leaving it unattended for several hours and not performing any work for a substantial amount of time during his work day while engaging in personal business on CPS time. The investigation, which included numerous surveillances of the truck driver, revealed that the motor truck driver routinely parked his CPS assigned truck and left the truck unattended for several hours. The truck driver was then observed going to his residence or some other location for several hours. On several occasions, prior to leaving the parked truck, the truck driver placed an aluminum can on the antenna of the GPS device on the CPS truck apparently in an effort to keep his superiors from discovering that the truck was remaining at one location for an extended period of time. The surveillances conducted by the OIG further revealed that the truck driver was not working for three to four and one-half hours per day. The truck driver was subsequently discharged from CPS employment.
- The OIG conducted an investigation which revealed that an administrative assistant assigned to a central office department submitted payroll documents on behalf of her sister who is not a CPS employee. The investigation revealed that the payroll documents submitted by the administrative assistant caused CPS to issue six paychecks to the sister totaling \$3,360 in gross pay for work the sister obviously did not perform. The administrative assistant resigned from CPS employment and has been designated as ineligible to be rehired. The administrative assistant has also paid full restitution to CPS. The OIG submitted the results of its investigation to the Cook County State's Attorney's Office which declined to prosecute the administrative assistant.
- The OIG conducted an investigation which revealed that an elementary school teacher took an illness leave from CPS while working with the Chicago Police Department. The investigation revealed that the teacher took an illness leave of absence to attend the CPD Academy, to serve as a probationary police officer and to work as a police officer. Since the teacher obtained and accepted employment with CPD without first notifying the CPS Ethics Officer, the teacher's conduct was in violation of the Code of Ethics for the Board of Education. The teacher was issued a warning resolution and given a 15 day suspension.

- The OIG conducted an investigation after it was alleged that two high school porters stole over \$1,000 from a school employee. The OIG investigation revealed that the porters were arrested and charged with the offense of theft. The charges were subsequently dismissed after the porters paid restitution to the other employee. One porter was subsequently vacated from his position and the other was issued school based discipline.
- An OIG investigation revealed that an elementary school porter was arrested on two occasions, once for the offense of possession of a controlled substance with intent to deliver within 1,000 feet of a place of worship and the other time for possession of cannabis. The porter plead guilty to the offense of possession of a controlled substance and was sentenced to serve an eighteen month term of probation and fifteen days with an alternative work program. The possession of cannabis charge was dismissed. Following the OIG investigation, the porter resigned from CPS employment.
- The OIG received an allegation that a high school teacher attempted to influence the statement of another employee who witnessed an alleged assault of a student by the teacher by paying the co-employee \$100. The investigation revealed that the teacher sent \$100 to the co-employee, however the OIG could not determine the reason for the payment since the teacher stopped showing up for work. The teacher was subsequently dismissed from CPS for being absent without leave.
- The OIG conducted an investigation of an elementary school principal who worked for an educational consultant prior to retiring from CPS. The OIG investigation revealed that the principal's employment by the consultant was in violation of the Code of Ethics for the Chicago Board of Education in that the principal engaged in secondary employment which was in conflict with the duties and demands of CPS employment and that the principal had obtained and accepted secondary employment without first notifying the CPS Ethics Officer. The investigation further revealed that the principal had improperly used benefit time for days off when in fact she was working for the consultant. The principal had retired from CPS prior to the investigation and has since been designated as ineligible to be rehired.
- An OIG investigation revealed that a school community representative at a CPS high school was hired despite the fact that he had been previously designated ineligible for rehire. A previous OIG investigation found that the school community representative had provided CPS with a bogus social security number that reflected he was authorized to work in the United States. The previous investigation revealed that, in fact, the school community representative was in the United States illegally and was not authorized to work. When the OIG discovered that the school community representative was again working at CPS, he was discharged and the principal who hired him was issued a warning resolution.

- The OIG substantiated an allegation that an elementary school clerk falsified her attendance records, and the attendance records of others, by editing time records to reflect work hours that they did not in fact work. The investigation also revealed that the clerk falsified the attendance records of a co-worker by editing time records to reflect a day worked when the co-worker did not in fact work. The clerk was subsequently discharged from CPS employment and has been designated as ineligible to be rehired.
- An elementary school lunchroom manager was investigated after the OIG received information that the lunchroom manager had a criminal history. The OIG investigation revealed that the lunchroom manager was convicted of the offense of possession of a controlled substance in 1997 and had been sentenced to serve a one year term of imprisonment in the Illinois Department of Corrections. The investigation also revealed that the lunchroom manager failed to notify CPS of her conviction of a felony offense in violation of Board Rules and had falsified employment records by misrepresenting that she had never been convicted of a crime. The lunchroom manager resigned from CPS employment and was designated as ineligible to be rehired.
- The OIG conducted an investigation which revealed that an elementary school teacher had been convicted of the federal offense of making false statements and was sentenced to serve a three year term of probation, to complete twenty-five hours of community service, and pay restitution in the amount of \$29,507 to the U.S. Department of Housing and Urban Development. Following the OIG investigation, the teacher was issued a warning resolution.
- An OIG investigation revealed that a day-to-day engineer falsified his attendance records and received pay for days in which he was not working for CPS but was on duty with the Chicago Fire Department. The OIG investigation further revealed that the engineer received pay totaling \$6,219.36 from CPS for 31 days in which he was not working for CPS but was on duty with the Chicago Fire Department as a firefighter. Following the OIG investigation the engineer resigned from CPS employment and was designated as ineligible to be rehired. The matter was referred to the Cook County State's Attorney's Office for review for criminal prosecution. The State's Attorney's Office declined to prosecute the matter.
- A special education support clerk at an elementary school was alleged to be student teaching on CPS time. An OIG investigation revealed that the clerk was credited as working a full day at the elementary school when in fact she was engaging in student teaching at another school. The investigation also revealed that the elementary school principal allowed the clerk to be marked as working a full day and failed to ensure that the clerk made up the time for which she was paid but did not work. The principal and the clerk were both suspended for their actions.

- An OIG investigation revealed that a high school teacher received full pay from CPS while attending college classes. The teacher received sixty hours of full pay and extended day pay totaling over \$2,200 while attending classes at a local college. The teacher received a warning resolution and reimbursed CPS for the unearned wages.
- The OIG conducted an investigation into the misappropriation of funds at a CPS elementary school. The investigation revealed that the principal and a teacher utilized categorical funds to attend a one day training program in Hawaii without obtaining the required approvals. The OIG learned that the same program had been offered locally just prior to the Hawaii training program. The investigation further revealed that the employees obtained prepayment of travel expenses from the school's internal accounts and the teacher misused sick time upon her return from Hawaii. Following the OIG investigation, the principal and teacher reimbursed CPS for the expenses. The principal also received a three day suspension and the teacher received a one day suspension and a warning resolution.
- An OIG investigation revealed that an elementary school clerk was listed as working and received overtime wages while she was on maternity leave. The clerk received wages for at least fifteen days while she was on maternity leave and also received after-school program wages for seventeen days during this period totaling 145 hours of wages. The clerk was subsequently issued school based discipline.
- The OIG conducted an investigation of an allegation that an elementary school principal hired her relatives to be contractors at the school in violation of the CPS Ethics Policy. The investigation revealed that the principal hired her son as a contractor at the school and paid him more than \$112,000 over a three year period. The investigation also revealed that the principal hired her son-in-law as a contractor and paid him more than \$90,000 over a three year period. Following the OIG investigation, the principal retired from CPS and has been designated as ineligible to be rehired.
- A teacher's aide, who acted as an elementary school business manager, failed to make deposits of various student fees collected. The OIG investigation revealed that the aide failed to deposit into the school's internal account fees collected pursuant to a fundraiser, graduation fees, and pom pom squad uniform fees. The funds were never located. CPS administration is reviewing the matter for potential disciplinary action.
- The OIG conducted an investigation which revealed that four elementary school employees - two school aides, a lunchroom manager and an associate lunchroom manager – improperly utilized a CPS tax-exempt letter at Wal-Mart to purchase personal items and place personal items on layaway. The employees received school based discipline.

- The OIG learned that an elementary school teacher aide admitted to police that he had performed a sex act on a young male. The teacher aide was never charged with a crime since the admission was not specific and police could not locate a victim. Further, the OIG learned that the admission was made to police contemporaneous with the teacher aide seeking in-patient psychiatric care. The results of the investigation were forwarded to the Law Department for a determination of the appropriate action, if any, that could be taken. It was determined that the teacher aide, who had taken a leave of absence prior to his admission, would need to be evaluated to determine his fitness for duty if he wished to return to CPS employment. The teacher aide has not returned to CPS employment.
- An OIG investigation revealed that an elementary school principal engaged in financial improprieties concerning the school's internal accounts by advancing school funds to parents, Local School Council members and one school employee to attend a No Child Left Behind parent conference out-of- state but failed to obtain receipts from all of the attendees of the conference and failed to retrieve the money advanced but not documented by receipts as spent by the attendees or properly reimbursable to the attendees. Based on the conduct of the principal, the OIG recommended that stricter guidelines be imposed on the release of NCLB funds, or other school funds, expended on non-CPS employees such as LSC members and other parent groups. The OIG also recommended that restrictions similar to those expressed in the *School Business and Internal Accounts Manual* be imposed to regulate the expenditure of NCLB and other school funds given to non-CPS employees. The principal is no longer employed by CPS due to the expiration of her principal's contract.
- A part-time high school employee was investigated after he was arrested for the offense of aggravated criminal sexual assault after engaging in a sexual relationship with a student from the high school. The investigation revealed that the employee plead guilty to the offense of aggravated criminal sexual abuse and was sentenced to serve a thirty month term of probation. The part-time employee is no longer employed by the school and has been designated as ineligible to be rehired.
- A custodial worker assigned to a high school was investigated after the school reported monies missing from a school office. The investigation, which included surveillance of the employee and the office, revealed that the custodian, on three occasions, stole money from a file cabinet at the school. When confronted with the OIG observations and other evidence, the custodian admitted stealing money out of the office. The custodian resigned from CPS employment and has been designated ineligible to be rehired. The custodian also plead guilty to the thefts in criminal court and paid restitution to the school.

- The OIG received an allegation that a high school basketball coach engaged in misconduct, specifically that the coach treated a specific player detrimentally causing the player to miss out on opportunities for college. Generally, the allegations made against the coach fell outside the OIG mandate to investigate allegations of waste, fraud and financial mismanagement. However, the OIG performed a limited scope investigation to determine if the coach had engaged in misconduct. Based on the limited scope inquiry by the OIG, there were insufficient facts to show that the coach engaged in misconduct. The OIG issued a report memorializing the investigation to assist other CPS units in following-up on the allegations or other issues relative to the OIG investigation.
- The OIG conducted an investigation into an allegation that a high school employee was soliciting other school employees for money in exchange for assignments to work in a summer program at the school. The OIG investigation revealed that the employee asked for and received some of the salary paid to a co-employee who worked in a summer program at the school. The OIG investigation further revealed that, in addition to his regular salary, the employee received \$5,115 in extra pay to which he was not entitled. Further, during the course of the investigation the employee made several false statements during the OIG's official investigation. The CPS Law Department is reviewing the OIG investigation to determine what discipline should be enacted.
- The OIG conducted an investigation of an allegation made against a non-CPS employee who was alleged to have committed a theft of CPS funds. The OIG investigation revealed that CPS paid for the individual to attend a NCLB conference out-of-state including paying for the individual's hotel bill. The investigation revealed that the individual cancelled his hotel stay and improperly received a reimbursement of his hotel bill from the hotel instead of returning the money to CPS. The individual then lied to hotel personnel and informed them that he did not receive the \$371 the hotel had sent him and the hotel sent him another \$371. In total, the individual received \$742 to which he was not entitled. The Law Department is currently attempting to recover the funds from the individual.
- The OIG conducted an investigation of an allegation that a high school misused NCLB funds. The investigation revealed that the school misused NCLB funds earmarked for a parent training workshop and used the funds to pay the school cosmetology teacher to oversee spa services provided to members of the NCLB Parent Advisory Council and Local School Council. Based on the investigation, the OIG recommended that clear and consistent rules, regulations and guidelines be established for the expenditures of NCLB funds, specifically those earmarked for parent training and PAC activity, to ensure that NCLB funds are not spent frivolously and in disregard of the NCLB mandate.



- Allegations about a teacher at a CPS elementary school were posted on an internet site and distributed in a letter to parents of the school children. The OIG investigated the allegations and found, in essence, that the public allegations against the teacher were not true. The OIG reported on its investigation because of the public nature of the allegations and to assist in any further review of the allegations made regarding the teacher.
- The OIG was asked to investigate allegations that an elementary school clerk had been misusing payroll funds by paying herself unauthorized overtime. During the pendency of the investigation, the clerk was suspended from her position. The OIG investigation revealed that, for numerous pay periods, the clerk was paid \$4,929.54 in overtime pay via three “bucket” positions. Subsequent to the OIG investigation, the clerk was discharged from CPS employment.
- An OIG investigation revealed that a high school security officer, who also serves as the boy’s varsity basketball coach, failed to properly safeguard and distribute athletic shoes donated to CPS. The investigation further revealed that the coach distributed a portion of the athletic shoes donated to CPS and intended for student athletes to himself and other school coaches and failed to safeguard other shoes which can not now be accounted for. The coach was subsequently given a five day suspension.
- An elementary school teacher was found to be engaging in secondary employment while on a personal illness leave of absence. The investigation revealed that the teacher was employed at a suburban gun shop during his employment with CPS and while on a personal illness leave of absence from CPS in violation of Board Rules. Following the OIG investigation, the teacher was issued a warning resolution.
- An OIG investigation revealed that an elementary school teacher received full reimbursement from the school for tickets she purchased for a field trip to the circus despite the fact that she had collected money from parents for their tickets. The investigation also revealed that the teacher failed to maintain a list of payments received from the parent chaperones and failed to turn in money collected from the parent chaperones in violation of the CPS School Internal Accounts Manual. The teacher was subsequently issued a warning resolution and school based discipline.
- The OIG conducted an investigation after a high school teacher was arrested for the offenses of attempt first degree murder and armed violence. The investigation revealed that the teacher was arrested after allegedly stabbing a man with a knife. The criminal charges are still pending in a suburban criminal court. The teacher was also found to be living in the suburbs. The teacher has been discharged from CPS employment and designated ineligible to be rehired.

- After an elementary school teacher was arrested for the offense of possession of cannabis, the OIG conducted an investigation which revealed that the teacher was arrested by the Chicago Police Department after receiving, via the United Parcel Service, a package containing more than 4,000 grams of cannabis. The teacher was found not guilty in criminal court and no discipline was enacted.
- An OIG investigation revealed that a school benefits liaison used CPS computers for unacceptable purposes, specifically for private business activities, and engaged in unauthorized secondary employment by working at a shoe store that she owns without first notifying the CPS Ethics Officer. The employee subsequently resigned from CPS employment and has been designated ineligible to be rehired.
- The OIG conducted an investigation which revealed that an elementary school security guard received pay for full days she was not in fact at the school. The investigation also revealed that a school clerk knew that the security guard was not present for work but edited CPS time reporting records to show that the security guard was in fact present. The security guard had resigned prior to the OIG investigation.
- The OIG conducted an investigation of an allegation that a high school instructor engaged in unauthorized fundraising activity while on CPS time and while at a CPS school. The investigation revealed that the instructor conducted non-school related meetings while on CPS time, engaged in unauthorized fundraising activities in violation of the CPS School Internal Accounts Manual, and violated Board Rules by using the school for unauthorized non-school related activities. The fundraising activities involved CPS students who were part of a non-CPS affiliated group with the instructor. The instructor received a seven day suspension.
- An OIG investigation revealed that a school custodial worker was arrested and subsequently convicted of the offense of prostitution. The investigation further revealed that the custodial worker was sentenced to serve a two day term in the Cook County Department of Corrections. Based on the conviction, pursuant to the School Code of Illinois, the custodial worker was no longer eligible to be an employee of CPS and the OIG recommended that the custodial worker be immediately discharged. The custodial worker resigned from employment with CPS.
- The OIG learned that an elementary school porter provided a fraudulent social security number to CPS when he was hired. The investigation revealed that the social security number was actually issued to a ten year old boy. The porter resigned from CPS and was designated as ineligible to be rehired.

- An OIG investigation revealed that a health assistant, after becoming employed by CPS, plead guilty to the felony offense of theft and was sentenced to serve a two year term of probation for crimes committed prior to her gaining employment with CPS. The investigation further revealed that the health assistant, while employed at a not-for-profit entity, used the entity's credit card to make unauthorized personal purchases in the amount of \$70,000 and used the entity's funds to pay those credit card bills. These purchases included several airline tickets for the health assistant's daughter as well as gasoline, a rental car, and items from Lord and Taylor and the Fur Outlet. The OIG investigation further revealed that the health assistant failed to notify CPS of her conviction in violation of Board Rules. The health assistant was issued school based discipline.
- The OIG investigated a middle school special education class assistant who forged the name of an assistant principal on a document submitted to the Chicago Housing Authority. The investigation revealed that the class assistant forged the signature on a letter to reflect that she was not earning any income at the school. The class assistant also submitted another letter to the CHA containing the assistant principal's name. The class assistant subsequently resigned from CPS employment.
- A high school teacher was investigated after it was learned that he was charged with the federal offense of making false statements. The investigation revealed that the teacher plead guilty in the United States District Court for the Northern District of Illinois to three counts of the federal offense of making false statements. The teacher was sentenced to serve a five year term of probation, six months in the home detention program, and ordered to pay more than \$34,000 in restitution to the U.S. Department of Housing and Urban Development. The teacher was subsequently issued a warning resolution.
- An OIG investigation revealed that a high school teacher was on duty with CPS at the same time she was working for an after school program at the high school. The OIG investigation, which included a review of timekeeping records, revealed that during a two month period the teacher began her day with the after school program while she remained "on the clock" with CPS thus her CPS hours and her after school program hours overlapped. Following the OIG investigation, the teacher received school based discipline.
- The OIG conducted a follow-up investigation after a high school security officer was arrested and charged with the offense of possession of cannabis. During the course of the OIG investigation, the security officer admitted to OIG investigators that he in fact was in possession of cannabis when arrested. The criminal charges against the school security officer were dismissed. The school security officer resigned from CPS employment and has been designated as ineligible to be rehired.

- After it was alleged that a school psychologist falsified his attendance records, the OIG conducted an extensive investigation that included numerous surveillances of the school psychologist. The OIG investigation revealed that on numerous occasions, the school psychologist swiped-in at a location other than his assigned school and later left his assigned school to go to his residence to conduct personal business for extended periods while on CPS time. The OIG investigation further revealed that the school psychologist was routinely absent from work for in excess of two and one-half hours. The school psychologist subsequently resigned from CPS employment.
- An OIG investigation revealed that an elementary school security officer and a school aide were working for CPS and an after school program during the same hours. The investigation showed that, over an eight-month period, time records reflect that both the security officer's and school aide's time for their regular position and their after school position overlapped more than 80 times. Following the OIG investigation, the security officer and the school aide received school based discipline.
- A school security aide at an elementary school was arrested for the federal offense of conspiracy to possess with intent to distribute controlled substances. An OIG investigation revealed that the school security aide conspired with others to knowingly and intentionally possess with intent to distribute crack cocaine, cocaine, heroin and marijuana. Following the disclosure of the arrest, the security aide resigned from CPS employment and was designated ineligible to be rehired. The criminal charges against the security aide are pending in federal court.
- The OIG conducted an investigation which revealed that an elementary school teacher utilized the CPS network to access and print-out sexually suggestive cartoons in violation of Section 604.1 of the CPS Policy Manual, *Member Acceptable Use of the CPS Network*. The teacher was discharged from CPS employment and has been designated ineligible to be rehired.
- An OIG investigation revealed that an elementary school lunchroom manager failed to deposit \$2,413.05 in lunchroom receipts that she documented as collected from students utilizing the school's lunchroom. The investigation further revealed that \$1,829.85 of that money could not be located. It should be noted that the lunchroom manager subsequently repaid CPS \$525 and \$1,304.85 remains unaccounted for. The lunchroom manager resigned from CPS employment and has been designated as ineligible to be rehired.
- An OIG investigation revealed that a substitute teacher cashed a CPS payroll check for \$397 after claiming that she did not receive the check and after receiving and cashing a replacement check. Deductions were eventually made from the substitute teacher's payroll to repay the double-payment.

- An OIG investigation revealed that a parent advocate at an elementary school forged the signature of the NCLB PAC chairperson on a NCLB document. Following the OIG investigation, the Law Department recommended that the parent advocate receive school based discipline.
- An OIG investigation revealed that a substitute teacher cashed a CPS payroll check for \$484 after claiming that he did not receive the check and after receiving and cashing the replacement check. The substitute teacher agreed to payback the double-payment but failed to do so. The substitute teacher was subsequently vacated from his position and repaid the \$484.
- An OIG investigation revealed that the lunchroom manager at an elementary school failed to make deposits of lunchroom cash receipts for several years. The investigation further revealed that \$4,351.50 of lunchroom cash receipts were never deposited. The lunchroom manager resigned from CPS employment and has been designated as ineligible to be rehired.
- An OIG investigation revealed that an elementary school lunchroom attendant cashed a CPS payroll check for \$226 after she requested and cashed a replacement check, for the same amount, claiming that the payroll check had not been received. The lunchroom attendant subsequently resigned from CPS and has been designated as ineligible to be rehired.

## Contractors

- The OIG conducted an investigation of an allegation that a company was not a legitimate minority business enterprise performing a commercially independent function on its contracts with CPS. It was also alleged that another company actually controlled the MBE company, which was a sheltered market participant on a large CPS contract, as well as a MBE subcontractor to the majority owned company on other CPS contracts. The OIG investigation revealed that the majority owned company had numerous contracts with CPS and was about to be excluded from bidding on a contract that was restricted to sheltered market participants. The majority owned company assisted the MBE company with its bid on the sheltered market contract and the MBE company was awarded the contract. The OIG investigation, which included numerous interviews of employees of the majority owned company and an extensive, forensic review of bank records, invoices and bid documents, provided substantial evidence that the majority owned company actually controlled the MBE company and its work on the sheltered market contract. In essence, the investigation revealed that employees of the majority owned company prepared bid documents, handled invoicing for the MBE company and had excessive control of the MBE company's business bank account, including transferring funds in and out of the MBE company's account.

The investigation also revealed that the MBE company did not have office staff dedicated to the CPS project; field employees were shared with the majority owned company; invoice numbers on the MBE company's bills to CPS were consecutively numbered with the invoices submitted by the majority owned company; project numbers for each company were consecutively numbered; and maintenance logs submitted by the MBE company were signed by employees of the majority owned company.

In addition, it was also learned and the OIG obtained business records to establish, that vendors that performed services for the majority owned company were paid with money funneled through the MBE company. Also, the OIG uncovered unexplained payments from the MBE company to the owner of the majority owned company.

Further investigation revealed that a CPS project manager, retained by CPS to manage the contracts that the majority owned company and MBE company were involved in, had a less than arms length relationship with the majority owned company. The OIG determined during the course of the investigation that the son of the lead employee for the project manager was employed at the majority owned company. Further, the lead employee for the project manager played an integral role in creating contract specifications, reviewing bid documents, evaluating bidder's ability to perform, recommending contract awards, reviewing and monitoring contract performance, and

approving invoices on all the contracts held by the majority owned company and the sheltered market contract that the MBE company was awarded. Although the OIG did not uncover any direct evidence that the employee gave preferential treatment to the majority owned company or the MBE company, the OIG reported that the conflict of interest engaged in by the project manager's employee may have impaired her judgment in evaluating and monitoring work performed by both the companies investigated. Specifically, the project manager's employee did not perform a site visit of the MBE company to evaluate its ability to perform on the sheltered market contract it had bid on as required.

Based on the extensive investigation and the facts uncovered during the course of the investigation, the OIG recommended that CPS debar both companies from doing business with CPS. Contemporaneously, the results of the investigation were also forwarded to law enforcement authorities for their review and potential criminal prosecution. As of the writing of this report, debarment proceedings have been initiated by CPS.

- The OIG conducted an investigation which revealed that a company, on at least three occasions, created or cloned CPS schools' internal account checks and deposited those checks into its own bank account without the schools' knowledge or authority. The investigation showed that the company sent invoices to various CPS schools in order to attempt to obtain payment from the schools for services which were not in fact requested or rendered. In some instances, after receiving school checks, the company then cloned the checks. In addition, the company also engaged in similar conduct involving various non-CPS schools in Illinois and in other states. After the OIG learned of the issue with the company, CPS distributed a letter to all principals warning of the scam. The matter was also referred to the Illinois Attorney General's Office which filed a civil action against the company and its officers.
- The OIG conducted an investigation which revealed that a vendor and volunteer, who performed drill instructor activities at three CPS schools, caused an injury of an eleven year old student after striking the student with a clipboard. The vendor was subsequently arrested at which time he was found in possession of a 9 millimeter semi-automatic handgun. At the time of his arrest, the vendor also identified himself to Chicago police officers as a sergeant in the Army National Guard. The vendor eventually plead guilty to the criminal charges of unlawful use of weapons and false personation of a peace officer and was sentenced to serve a twenty-four month term of probation. Based on the criminal conduct engaged in by the vendor, the OIG recommended the vendor be debarred from doing business with CPS. The Law Department is currently evaluating the OIG recommendation.

- The OIG received an allegation that a high school principal allowed a restaurant to sell food items at the high school on a daily basis. The OIG conducted an investigation which revealed that the principal allowed the restaurant to operate a food stand at the high school in violation of the *Food Establishments – Sanitary Operating Requirements* of the Municipal Code of Chicago, 7-38-005(b). The investigation also revealed that the principal allowed the restaurant to operate a food stand at the high school for fundraising purposes but failed to comply with various provisions of the CPS School Internal Accounts Manual.

The investigation further revealed that the restaurant operated three locations in the City of Chicago, other than at the high school, and was being investigated by the city after its owner falsified license application forms by using a bogus social security number reflecting he was a legal alien when in fact he was not. Further, the restaurant operators were the family of a former clerk at the high school who left CPS employment after it was discovered that she used a bogus social security number on CPS records reflecting she was a legal alien when in fact she was not. The investigation also revealed that the former clerk worked for the restaurant operation at the high school after she left employment with CPS.

During the course of the investigation, the OIG learned that the restaurant operation at the high school sold \$300 to \$750 of food per day at the school. However, the food sales operation was not licensed by the City of Chicago. Further, Chicago Department of Public Health inspectors issued a Cease and Desist Order against the restaurant from selling food at the high school because the inspectors found that the restaurant was operating without a proper license, did not have an exposed hand wash bowl, the equipment was not properly maintained, and there was no certified manager on the premises.

The operation of the restaurant at the high school, presumably under the guise of a fundraising activity, also violated CPS Internal Account procedures since the activity was not approved by the Local School Council or the CPS area business manager.

- The OIG conducted an investigation which revealed that a company was soliciting area businesses to purchase advertisements on a calendar, proceeds of which would be used to purportedly benefit the school. The investigation further revealed that the company failed to pay \$3,000 to the high school pursuant to an agreement between the company and the high school whereby the company agreed to pay the high school \$1,000 per year, for five years, for being allowed to obtain corporate sponsors and produce a sports schedule calendar utilizing the high school's name. Following the OIG investigation and intervention by the CPS Law Department, the company paid the high school \$3,000.



- At the request of the CPS Law Department, the OIG conducted a review of the billing practices of a supplemental educational services provider to determine whether any irregularities existed. The OIG compared the CPS day time attendance records and the after-school attendance records to the attendance records maintained by the vendor to determine whether the vendor was billing CPS for providing after-school tutoring services to students on days that CPS recorded the same students as being absent. To deal with a workable pool of information and to overcome record keeping obstacles, the OIG's review consisted of a sampling of the schools at which the vendor provided services. It should be noted that the record keeping obstacles encountered by the OIG during this review have been rectified by CPS. Based on its review, the OIG determined that the total percentage of days that CPS day time attendance records reflected a student absent while the vendor records reflected the student present for supplemental education services was statistically inconsequential and as a result no misconduct was detected.
- The OIG conducted an investigation which revealed that a CPS vendor disclosed student record information on its web site in violation of the Illinois School Student Records Act and also disclosed personnel information of CPS staff on its web site. The OIG forwarded the results of its investigation to the CPS Law Department which issued a cease and desist letter to the vendor.
- A CPS vendor was investigated following an allegation that the vendor submitted monthly utilization reports to CPS inaccurately reflecting the amounts paid to a minority business enterprise sub-contractor. The investigation revealed that the company submitted monthly utilization reports to the CPS Office of Business Diversity reflecting that it had paid more than \$95,000 during a six month period to a MBE participant, when in fact it had only paid \$42,880.84 to the MBE company. The OIG investigation also revealed that the use of the MBE sub-contractor did not comply with the CPS M/WBE Plan since the MBE subcontractor did not perform a commercially independent function as required by the M/WBE Plan. A warning letter was sent to the vendor.
- An OIG investigation revealed that a CPS contractor, pre-qualified to provide construction safety services under a master agreement, fraudulently misrepresented that it had the appropriate liability insurance when in fact it did not. The investigation revealed that the company twice provided CPS with falsified insurance policies reflecting that it maintained the liability insurance mandated by its agreement with CPS when in fact it did not. Based on the evidence uncovered, the OIG recommended that CPS initiate debarment proceedings against the company. The CPS Law Department is currently reviewing that recommendation.

- A contractor that provided electrician services to CPS was investigated for failing to maintain the appropriate liability insurance. The investigation revealed that the company did not have the appropriate liability insurance in its name and presented CPS with an insurance policy issued in the name of another company that was also owned by the same person as proof that it maintained the appropriate liability insurance. Based on the evidence uncovered, the OIG recommended that CPS initiate debarment proceedings against the company. The CPS Law Department is currently reviewing that recommendation.
  
- A CPS provider of alternative mode transportation was investigated for fraudulently misrepresenting that it had the appropriate liability insurance when in fact it did not. The investigation revealed that the company provided CPS with a falsified insurance policy reflecting that it maintained appropriate workers' compensation and employers' liability insurance when in fact it did not. Based on the evidence uncovered, the OIG recommended that CPS initiate debarment proceedings against the company. The CPS Law Department is currently reviewing that recommendation.

## Residency

To comply with the CPS residency policy, employees hired after November 20, 1996 must reside within the City of Chicago. The CPS Residency Policy mandates that employees, unless granted a waiver because they teach in an identified “special needs” area, must maintain a City of Chicago domicile defined as the one true, permanent home to which whenever they are absent they have an intention of returning. The OIG has been delegated the responsibility of investigating allegations of non-residency and in FY 2006 issued reports concerning the following investigations:

- An OIG investigation revealed that a high school teacher resided in Harwood Heights, Illinois. Based on the fact that the teacher intentionally provided a false residential address in order to avoid the requirements of the residency policy, the OIG recommended that the teacher be discharged. The teacher was subsequently terminated from CPS employment.
- A teacher assigned to an elementary school was found to be residing in Glenview, Illinois. Based on the fact that the teacher intentionally provided a false residential address in order to avoid the requirements of the residency policy, the OIG recommended that the teacher be discharged. The teacher was issued a warning resolution and subsequently came into compliance with the residency requirement.
- An elementary school teacher was found to be residing in Valparaiso, Indiana. The OIG recommended the teacher’s discharge for intentionally providing a false residential address. The teacher subsequently resigned from CPS employment.
- A central office manager was found to be residing in Country Club Hills, Illinois. The OIG recommended the manager’s termination for intentionally providing a false residential address in order to avoid the requirements of the residency policy. The manager resigned from CPS employment and was designated as ineligible to be rehired.
- A central office coordinator resided in Hazel Crest, Illinois and the OIG recommended that the employee be discharged for intentionally providing a false residential address in order to avoid the requirements of the residency policy. The coordinator resigned from CPS employment and was designated as ineligible to be rehired.
- A high school clerk was found to be residing in Richton Park, Illinois. The OIG recommended the clerk’s discharge for intentionally providing a false residential address in order to avoid the requirements of the residency policy. The clerk resigned from CPS employment and was designated as ineligible to be rehired.

- An OIG investigation revealed that a health services nurse resided in Riverdale, Illinois. The investigation also revealed that the nurse's two children attended a CPS elementary school despite residing in the suburbs. Based on the fact that the nurse intentionally provided a false residential address in order to avoid the requirements of the residency policy and the payment of non-resident tuition, the OIG recommended that the nurse be immediately discharged. The OIG investigation further revealed that the nurse was responsible for payment of non-resident tuition in the amount of \$75,869.54. Following the OIG investigation, the nurse resigned from CPS employment and CPS is attempting to recover the payment of non-resident tuition from the nurse.
- An OIG investigation revealed that a high school teacher resided in Hinsdale, Illinois. Based on the fact that the teacher intentionally provided a false residential address in order to avoid the requirements of the residency policy, the OIG recommended that the teacher be discharged. The teacher subsequently moved into the City of Chicago and came into compliance with the residency requirement.
- An OIG investigation revealed that a central office director resided in Park Ridge, Illinois. Based on the fact that the director intentionally provided a false residential address in order to avoid the requirements of the residency policy and the fact that the director made false statements during an interview with the OIG, the OIG recommended that the director be discharged. The director subsequently resigned from CPS employment and was designated ineligible to be rehired.
- A high school teacher resided in South Holland, Illinois. Following the OIG investigation, the teacher was granted a "special needs" waiver from the residency requirement.
- An OIG investigation revealed that a high school assistant principal resided in Homewood, Illinois. The investigation also revealed that the child of the assistant principal attended the high school as well despite also residing in Homewood, Illinois. The OIG recommended that the assistant principal be discharged for intentionally providing a false residential address in order to avoid the requirements of the residency policy. The OIG also recommended that the assistant principal pay non-resident tuition in the amount of at least \$12,941.30. The assistant principal resigned from CPS employment and paid CPS \$7,350 for non-resident tuition. The assistant principal was also designated as ineligible to be rehired.
- An OIG investigation revealed that an elementary school teacher resided in Palos Heights, Illinois. Following the OIG investigation, the teacher was issued a warning resolution, failed to come into compliance with the residency policy and subsequently resigned from CPS employment.

- A central office manager was found to be residing in Willow Springs, Illinois. Based on the fact that the manager intentionally provided a false residential address in order to avoid the requirements of this policy, the OIG recommended that the manager be discharged. The manager was subsequently discharged from CPS employment and was designated ineligible to be rehired.
- An OIG investigation revealed that an elementary school teacher resided in Oak Park, Illinois. The OIG investigation also revealed that the teacher's two children also resided in Oak Park, Illinois and attended CPS elementary schools. Based on the fact that the teacher intentionally provided a false residential address in order to avoid the requirements of the residency policy, the OIG recommended that the teacher be discharged. Additionally, the teacher was responsible for payment of non-resident tuition. The teacher was discharged from CPS employment and the Law Department is attempting to recover the non-resident tuition from the teacher.
- An elementary school assistant principal resided in Lisle, Illinois and intentionally provided a false residential address in order to avoid the requirements of the residency policy. The assistant principal resigned from CPS employment during the course of the investigation. The assistant principal was subsequently designated as ineligible to be rehired.
- An elementary school teacher was found to be residing in Hoffman Estates, Illinois. Based on the fact that the teacher intentionally provided a false residential address in order to avoid the requirements of the residency policy, the OIG recommended that the teacher be discharged. The teacher was issued a written reprimand and subsequently came into compliance with the residency requirement.
- A teacher assigned to a high school was found to be residing in St. Joseph, Illinois. The teacher was subsequently granted a special needs waiver from the residency requirement.
- An OIG investigation revealed that an elementary school teacher resided in Des Plaines, Illinois. The teacher was issued a written reprimand and came into compliance with the residency requirement.
- A central office project manager was found to be residing in Hazel Crest, Illinois. The investigation further revealed that the manager's daughter resided in Hazel Crest and attended a CPS magnet high school. The OIG investigation revealed that the manager was responsible for the payment of non-resident tuition in the amount of \$22,051.35. The matter is currently being reviewed for potential discipline and the recovery of non-resident tuition.

- An OIG investigation revealed that a high school teacher resided in Palos Park, Illinois. These facts coupled with the results of another OIG investigation of the teacher resulted in the teacher's discharge. The teacher was also designated as ineligible to be rehired.
- An elementary school teacher was found to be residing in Lansing, Illinois. The teacher subsequently resigned from CPS employment.
- A high school security officer resided in Alsip, Illinois and the OIG investigation revealed that the security officer intentionally provided a false residential address in order to avoid the requirements of the residency policy. The OIG recommended that the security officer be discharged. The Law Department is reviewing the matter for potential disciplinary action.
- An OIG investigation revealed that an elementary school teacher resided in Dolton, Illinois after intentionally providing a false residential address in order to avoid the requirements of the residency policy. The OIG recommended the teacher's discharge. The teacher was given time to move into the City of Chicago, but subsequently resigned from CPS employment.
- An instructor assistant at an elementary school was found to be residing in South Holland, Illinois. Based on the fact that the instructor assistant intentionally provided a false residential address in order to avoid the requirements of the residency policy, the OIG recommended the instructor assistant be discharged. The instructor assistant was subsequently discharged from CPS employment.
- An OIG investigation revealed that an elementary school teacher resided in Lansing, Illinois. Based on the fact that the teacher intentionally provided a false residential address in order to avoid the requirements of the residency policy, the OIG recommended that the teacher be discharged. As a result of the OIG investigation, the teacher was discharged from CPS employment and was designated as ineligible to be rehired.
- A teacher assigned to an elementary school, was found to be residing in Hickory Hills, Illinois. Based on the fact that the teacher intentionally provided a false residential address in order to avoid the requirements of the residency policy, the OIG recommended that the teacher be discharged. The teacher was subsequently discharged from CPS employment.
- An OIG investigation revealed that a high school teacher resided in Darien, Illinois. Based on the fact that the teacher intentionally provided a false residential address in order to avoid the requirements of the residency policy, the OIG recommended that the teacher be discharged. Following the OIG investigation, the teacher was discharged from CPS employment.

- An elementary school teacher was found to be residing in Palos Heights, Illinois. Based on the fact that the teacher intentionally provided a false residential address in order to avoid the requirements of the residency policy, the OIG recommended that the teacher be discharged. The teacher subsequently resigned from CPS employment.
- An OIG investigation revealed that a speech pathologist resided in Brookfield, Illinois. The speech pathologist subsequently resigned from CPS employment.
- A high school teacher resided in Lynwood, Illinois. The teacher was subsequently granted a special needs waiver from the residency policy.
- An elementary school teacher was found to be residing in Glencoe, Illinois after the teacher had provided documents reflecting compliance with the residency requirement following a previous OIG investigation. Based on the fact that the teacher intentionally provided a false residential address in order to avoid the requirements of the residency policy, the OIG recommended that the teacher be discharged. Dismissal charges have been filed against the teacher and the teacher has been suspended without pay pending a hearing on the matter.

## Tuition Fraud

The Office of the Inspector General has been delegated the responsibility of conducting investigations into allegations that various Chicago Public School students reside outside the City of Chicago, a violation of the Illinois School Code. During the course of FY 2006, the OIG conducted investigations that established the following:

- An eighth grade student was found to be residing in Hickory Hills, Illinois. The investigation revealed that the student's mother was responsible for the payment of non-resident tuition in the amount of \$19,411.95. The student's mother subsequently paid CPS \$10,000 as payment-in-full for the non-resident tuition.
- Parents who enrolled their two children in a CPS elementary school were found by the OIG to be residing in Maywood, Illinois. The OIG determined that the parents were responsible for the payment of non-resident tuition in the amount of at least \$12,941.30. The Law Department requested additional investigative work. The additional investigative work did not further substantiate the findings and the matter has been closed.
- An OIG investigation revealed that the parents of a ninth grade student at a CPS magnet high school and two CPS elementary school students enrolled their children at CPS despite residing in Country Club Hills, Illinois. The OIG found that the parents of the children were responsible for the payment of non-resident tuition in the amount of at least \$19,411.95. The children subsequently left CPS and on-going litigation will determine the amount of non-resident tuition owed.
- Two high school students were enrolled in CPS despite residing in Hazel Crest, Illinois. The OIG investigation revealed that the students' mother, a CPS employee, is responsible for the payment of non-resident tuition in the amount of at least \$25,882.60. The Law Department is attempting to recover the non-resident tuition from the students' parents.
- An OIG investigation revealed that a twelfth grade student at a CPS magnet high school resided in South Holland, Illinois. The OIG investigation revealed that the student's parents are liable for the payment of non-resident tuition in the amount of \$28,823.82. The Law Department is attempting to recover the non-resident tuition from the student's parents.
- An eleventh grade student at a CPS magnet high school was found to be residing in Norridge, Illinois. The OIG investigation revealed that the student's mother is responsible for the payment of non-resident tuition in the amount of \$22,051. The student's mother subsequently paid the non-resident tuition.



- An OIG investigation revealed that the daughter of a CPS teacher attended a CPS elementary school and then a CPS high school while residing in Country Club Hills, Illinois. The investigation revealed that the teacher and her husband are responsible for the payment of non-resident tuition in the amount of \$80,770.98. A lawsuit was filed to recover the payment of non-resident tuition. The teacher was issued a warning resolution and subsequently forfeited \$46,000 in time and benefits to settle the claim.
- An OIG investigation revealed that three students who attended a CPS selective enrollment elementary school resided in Country Club Hills, Illinois. The OIG investigation revealed that the students' mother is responsible for the payment of non-resident tuition in the amount of at least \$22,051.35. The three children subsequently left CPS.

As mentioned above in the *Residency* section, four *Tuition Fraud* matters investigated by the OIG involved CPS employees sending their children to CPS schools despite the parents residing in the suburbs against the CPS Residency Policy. In certain instances mentioned above, CPS employees allowed to reside in the suburbs also sent their children to CPS schools.

## Court Watch

Throughout the year, the OIG receives notification that CPS employees have been arrested for various crimes, either on-duty or off-duty. The OIG is charged with the responsibility of monitoring the outcome of those criminal cases and reporting on those where a determination was made that the employees committed certain criminal offenses allowing for CPS administration to determine if disciplinary action is warranted. During FY 2006, the OIG monitored and reported on the following:

- A part-time high school security guard was arrested and charged with the offense of predatory criminal sexual assault. The security guard was subsequently found guilty of aggravated criminal sexual abuse and other charges and was sentenced to 36 months of sex offender probation. Based on an OIG recommendation, the security guard, who had left CPS employment, was designated as ineligible to be rehired.
- An elementary school principal was arrested and charged with the offense of driving under the influence of alcohol. The principal plead guilty to the charge of driving under the influence and was sentenced to 18 months of supervision. The principal was issued a written reprimand.
- A substitute teacher was arrested and charged with the offense of reckless homicide. The substitute teacher plead guilty to the charge of reckless homicide and was sentenced to four years in the Illinois Department of Corrections. The substitute teacher resigned from CPS employment and was designated as ineligible to be rehired.
- A child welfare attendant assigned to an elementary school was arrested and charged with the offense of domestic battery after striking her six year old daughter with a belt. The child welfare attendant plead guilty to the charge of domestic battery and was sentenced to 12 months of supervision and ordered to attend parenting class.
- An elementary school lunchroom attendant was arrested and charged with the offense of retail theft. The lunchroom attendant plead guilty to the charge of retail theft and was sentenced to one year of supervision.
- A high school teacher was arrested and charged with the offense of criminal sexual assault. The teacher was found guilty of numerous counts of aggravated criminal sexual assault and criminal sexual assault and was sentenced to 16 years in the Illinois Department of Corrections. Following the arrest, the teacher was discharged from CPS employment and designated as ineligible to be rehired.

- An elementary school teacher was arrested and charged with the felony offense of aggravated battery to a peace officer. The teacher plead guilty to a misdemeanor charge of battery and was sentenced to two years of probation. The teacher was vacated from his position prior to the completion of the OIG investigation.
- A high school security officer was arrested and charged with the offense of theft of lost or mislaid property and various traffic offenses. The security officer was found guilty of the offense of theft of lost or mislaid property and was sentenced to one month of court supervision. The security officer was issued school based discipline.
- A part-time CPS employee was arrested and charged with the offense of obstructing a police officer. The employee plead guilty to the charge of obstructing a police officer and was sentenced to six months of court supervision. The employee no longer works at CPS and has been designated as ineligible to be rehired.
- A custodial worker at an elementary school was arrested and charged with the felony offense of aggravated unlawful use of a weapon and various traffic offenses after he was found with a nine millimeter handgun in his waistband while driving a vehicle. The custodial worker plead guilty to a misdemeanor charge of unlawful use of a weapon and was sentenced to one year of probation. The custodial worker was issued school based discipline.
- An elementary school teacher was arrested and charged with the offense of resisting a police officer. The teacher plead guilty to the charge of resisting a police officer and was sentenced to one year of court supervision. The teacher was issued school based discipline.
- An elementary school teacher was arrested and charged with the offenses of domestic battery and resisting a police officer. The teacher plead guilty to the charge of domestic battery and was sentenced to one year of court supervision. The teacher was issued school based discipline.
- A substitute teacher was arrested and charged with the offense of domestic battery. The substitute teacher was found guilty of a lesser offense and was sentenced to eighteen months of court supervision.
- A teacher was arrested and charged with the offense of possession of a controlled substance with the intent to deliver. The teacher plead guilty to the charge of possession of a controlled substance with the intent to deliver and was sentenced to two years of probation. The teacher resigned from CPS employment shortly after his arrest and was designated as ineligible to be rehired.