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**RECEIVED AND PLACED ON FILE
BOARD OF TRUSTEES COMMUNITY
COLLEGE DISTRICT NO. 508
SEPTEMBER 13, 2012**

Inspector General City Colleges of Chicago

- Title first used by CCC in 2003 although similar duties since 1998.
- John A. Gasiorowski is the 4th Inspector General for the City Colleges of Chicago but the first since the significant enhancements to the powers and duties of the OIG with the adoption (on July 14, 2010) of amendments to Board Rule 2.6 et seq. / now Section 2.7 et seq. of the Board By-Laws.

Board Rule 2.6 (pre-July 14, 2010)

2.6 INSPECTOR GENERAL.

The Inspector General shall be responsible for internal investigations and such additional duties as assigned by the Chancellor or required by these Rules. The Inspector General shall be responsible to the Chancellor for administrative planning and implementation of programs in his or her assigned areas of responsibilities and shall be involved with the Chancellor in District policy formation and interpretation. The Chancellor is responsible for overseeing the performance of the Inspector General and may request reports, and assign projects or additional duties as deemed appropriate. The Inspector General shall assist the Board Committees as may be requested by the Chancellor.

(Revised August 3, 2006.)

Policy Enhancements Adopted on July 14, 2010 (now Section 2.7 of the Board By-Laws)

- Independence – Section 2.7.1
 - Term
 - Removal only for cause
- Specified powers and duties – Section 2.7.2
- Confidentiality – Section 2.7.3
- Obligation to cooperate – Section 2.7.4(b)
- Prohibition against retaliation – Section 2.7.4(c)
- Bi-annual reporting requirement – Section 2.7.5

Resource Enhancements since July 2010

- Full-time IG / investigative staff
- Additions to investigative staff
 - ❖ Currently 10 positions
 - ❖ including IG and part-time Staff Assistant
 - ❖ Investigative, military, law enforcement
 - ❖ Attorneys, Auditors
- Off-site office space (July 2011)
 - ❖ 11 South LaSalle Street, Suite 1740

Inspector General
Community College District Number 508

FY 2010 Audit FY 2011 Audit FY 2012 Budget FY 2013 Budget

Operating Budget

Expenditures by Program

Instruction	-	-	-	-
Academic Support	-	-	-	-
Student Services	-	-	-	-
Public Service	-	-	-	-
Auxiliary/Enterprise	-	-	-	-
Operations and Maintenance	-	-	-	-
Institutional Support	231,973	238,548	1,112,894	1,003,185
Scholarships, Grants, Waivers	-	-	-	-
Program Total	231,973	238,548	1,112,894	1,003,185

Expenditures by Object

Salaries	204,491	143,626	721,800	712,939
Employee Benefits	13,300	88,740	120,594	150,000
Contractual Services	-	-	70,000	38,561
Materials and Supplies	-	5,507	21,000	21,000
Travel and Conference	-	665	4,400	4,400
Capital Outlay	-	-	75,000	-
Fixed Charges	-	-	100,000	75,000
Utilities	-	-	-	800
Other Expenditures	-	-	-	-
Bad Debt	-	-	-	-
Waivers and Scholarships	-	-	-	-
Other Expenditures	-	-	-	-
Reserve for State Funding	-	-	-	-
Re-Appropriated Enterprise	-	-	-	-
Object Total	231,973	238,548	1,112,894	1,003,185

General Application Budget

Institutional Support	-	332,497	-	-
Scholarships, Grants, Waivers	-	-	-	-
Program Total	-	332,497	-	-

Expenditures by Object

Salaries	-	319,916	-	-
Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Materials and Supplies	-	744	-	-
Travel and Conference	-	1,005	-	-
Capital Outlay	-	-	-	-
Fixed Charges	-	10,831	-	-
Utilities	-	-	-	-
Other Expenditures	-	-	-	-
Bad Debt	-	-	-	-
Waivers and Scholarships	-	-	-	-
Other Expenditures	-	-	-	-
Reserve for State Funding	-	-	-	-
Re-Appropriated Enterprise	-	-	-	-
Object Total	-	332,497	-	-
Grand Total	231,973	571,045	1,112,894	1,003,185

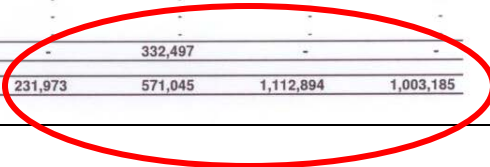
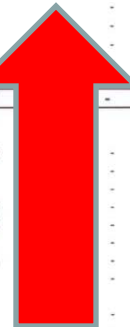
OIG Budgets

FY 2011 (audit) - \$571,045

FY 12 Budget - \$1,112,894

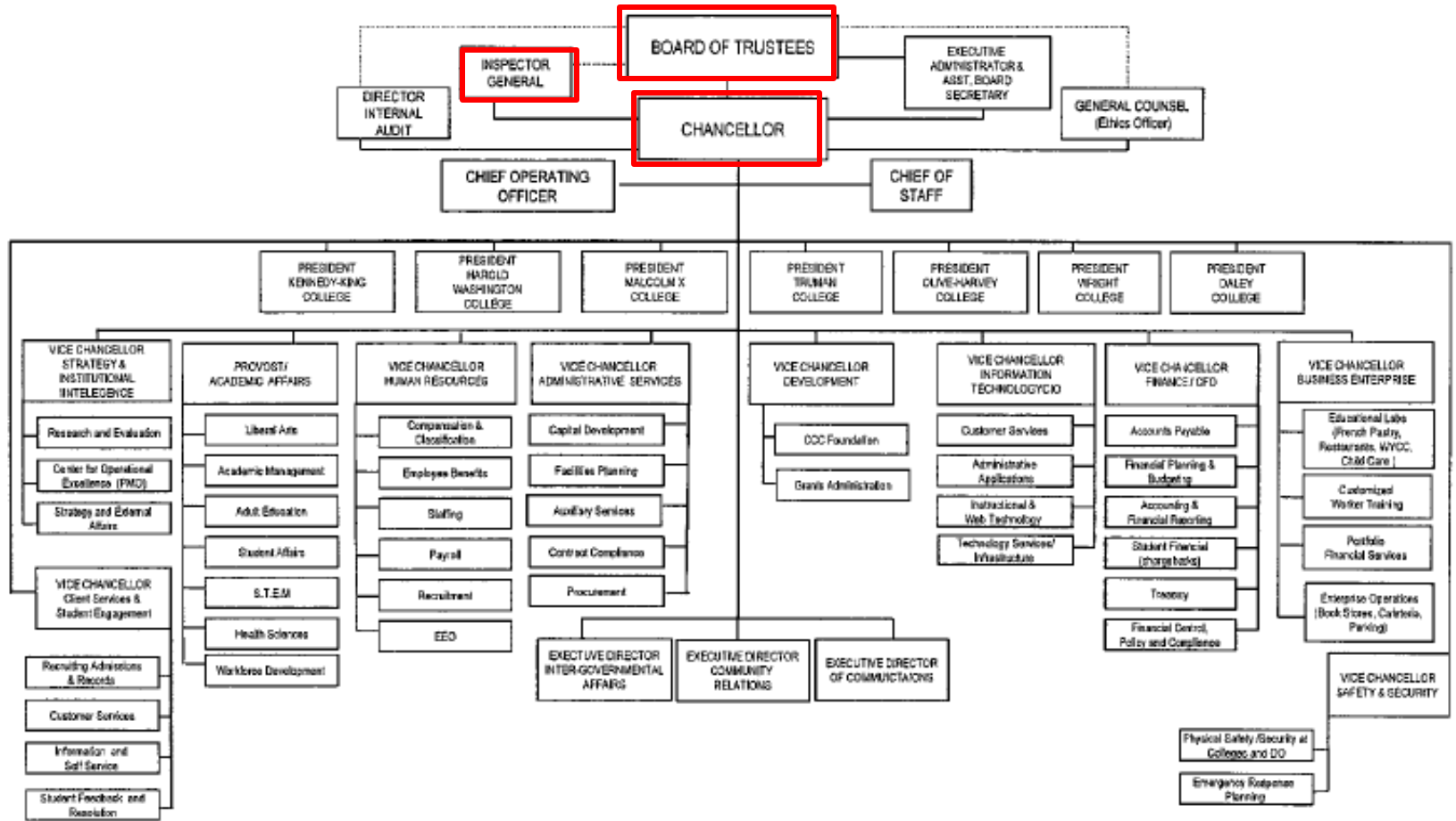
[FY 12 Spent - \$846,127.96]

FY 13 Budget - \$1,003,185





Organizational Chart Current State**



**This Organization Chart is currently being revised as part of the District Office renovation initiative

Powers and Duties of the OIG (Section 2.7.2 of the Board Bylaws)

The Office of the Inspector General has the authority to conduct investigations regarding waste, fraud and misconduct by any officer, employee, or member of the Board; any contractor, subcontractor, consultant or agent providing or seeking to provide goods or services to the City Colleges of Chicago; and any program administered or funded by the District or Colleges.

Powers and Duties of the OIG

(Section 2.7.2 of the Board By-Laws)

- a) To promote economy, efficiency, effectiveness and integrity in the administration of the programs and operations of CCC by identifying..., and by recommending.....
- b) To receive and register complaints....
- c) To investigate and audit...either in response to complaint or on the IG's own initiative.
- d) To report to the Board.....
- e) To request and receive information related to an investigation or audit from any officer, employee agent or contractor of CCC.

How Are Complaints Received?

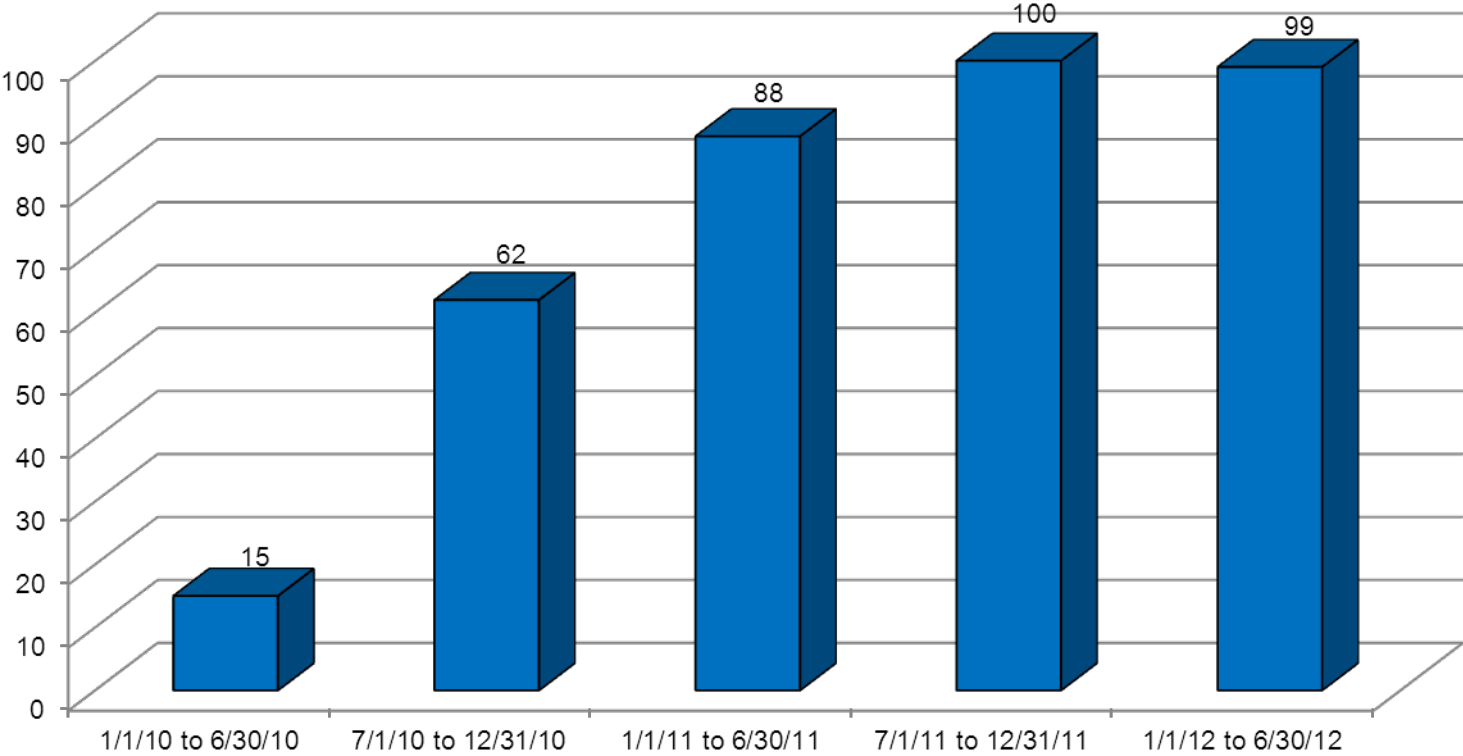
- ✓ Hot-Line @ (312) 553-3399
- ✓ E-mail (inspectorgeneral@ccc.edu)
- ✓ Complaint form on the website
- ✓ Walk-ins, telephone, mail
- ✓ Initiated by the OIG

How Are Complaints Received?

(July 1, 2010 – June 30, 2012)

Method	Number	%
E-Mail	126	36%
Telephone / Hot-Line	74	21%
OIG Initiated	66	19%
In Person	39	11%
Mail	39	11%
Other	5	1%
Totals	349	100%

Complaints Received / Initiated by the OIG

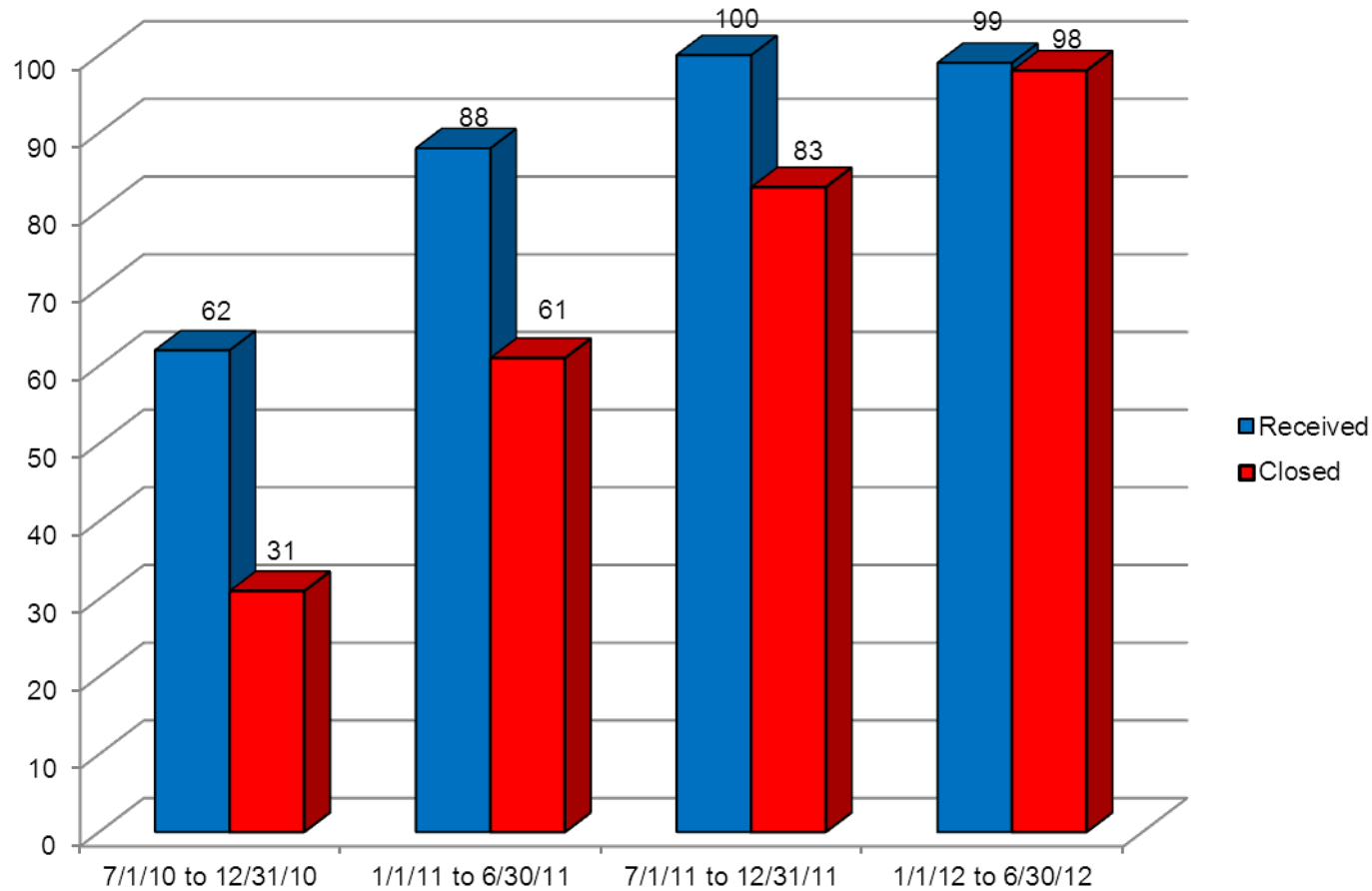


Types of Complaints

(July 1, 2010 to June 30, 2012)

Type	Number	%
Retaliation	4	1.15%
Failure to Maintain the Confidentiality of CCC Records	5	1.43%
Grade Tampering	6	1.72%
Debarment by Another Government Agency	7	2.01%
Inappropriate Use of CCC property	8	2.29%
Conduct Unbecoming a Public Employee	8	2.29%
Harassment / Sexual Harassment	9	2.58%
Falsification of Records	10	2.87%
Discourteous Treatment	11	3.15%
Giving Preferential Treatment	15	4.30%
Violation of State or Federal Statutes	16	4.58%
Discrimination	17	4.87%
Fraud / Grant Fraud / Financial Aid Fraud	19	5.44%
Ethics Violation	19	5.44%
Violation of Board Rules / Policies	21	6.02%
OIG Initiated Review	23	6.59%
Theft / Misappropriation of Funds	26	7.45%
Inattention to Duty	29	8.31%
Falsification of Attendance Records	37	10.60%
Residency	59	16.91%
Totals	349	100.00%

Complaints Received / Closed



Closed Complaints

Period	Sustained	Not Sustained or No Policy Violation	Referred / Deferred	Other	Totals
7/1/2010 to 12/31/2010	9	14	4	4	31
1/1/2011 to 6/30/2011	19	28	8	6	61
7/1/2011 to 12/31/2011	15	39	24	5	83
1/1/2012 to 6/30/12	14	53	24	7	98
Total	57	134	60	22	273

Complaints Investigated by the OIG

Period	Total Complaints Closed	Total Investigations by the OIG	% of Closed Complaints Investigated by the OIG
7/1/2010 to 12/31/2010	31	23	74%
1/1/2011 to 6/30/2011	61	45	74%
7/1/2011 to 12/31/2011	83	50	60%
1/1/2012 to 6/30/12	98	64	65%
Totals	273	193	71%

Sustained Findings by OIG

Period	Total Sustained	Total Investigations Closed by the OIG	% of Investigated Complaints Sustained
7/1/2010 to 12/31/2010	9	23	39%
1/1/2011 to 6/30/2011	19	45	42%
7/1/2011 to 12/31/2011	15	50	30%
1/1/2012 to 6/30/12	14	64	22%
Totals	57	193	30%

Section 2.7.3 of the Board By-Laws

All investigatory files and reports of the Inspector General shall be confidential and shall not be divulged to any person or agency, except to: (1) the Chancellor, the Board Chairman, and the General Counsel at the conclusion of the investigation with recommendations of disciplinary or other action; (2) the appropriate prosecutorial authorities; (3) the appropriate law enforcement agencies; (4) other appropriate offices of Inspector General; or (5) as otherwise provided in this Rule.

Reports Submitted ("Investigative Summaries")

Time Period	Reports Submitted
July 1, 2010 to December 31, 2010	9
January 1, 2011 to June 30, 2011	16
July 1, 2011 to December 31, 2011	18
January 1, 2012 to June 30, 2012	17
Total	60

OIG Investigative Summaries

1. Findings with citations to violations of CCC policies
2. Recommendations
 - a. Disciplinary
 - b. Policy
 - c. Other
3. Summary of the Investigation
 - a. Facts as derived from investigative activity
 - 1) Interviews
 - 2) Surveillance, etc.
 - b. Analysis

Recommendations of Disciplinary Action

	7/1/10 to 12/31/10	1/1/11 to 6/30/11	7/1/11 to 12/31/11	1/1/12 to 6/30/12	Total
Disciplinary Recommendations Made	11	29	19	23	82
Disciplinary Process Completed	11	29	19	14	73
% Completed	100%	100%	100%	61%	89%

Recommendations of Disciplinary Action

	7/1/10 to 12/31/10	1/1/11 to 6/30/11	7/1/11 to 12/31/11	1/1/12 to 6/30/12	Totals
Disciplinary Recommendations Made	11	29	19	23	82
Disciplinary Process Completed	11	29	19	14	73
% Completed	100%	100%	100%	61%	89%
OIG Recommendations Followed	11	26	17	14	68
% Followed	100%	90%	89%	100%	93%

Disciplinary Action Taken

	7/1/10 to 12/31/10	1/1/11 to 6/30/11	7/1/11 to 12/31/11	1/1/12 to 6/30/12	Totals
Total Disciplinary Actions Taken	11	26	18*	14	69
Terminations	6	5	7	6	24
Other	3	5	7	5	20
Resignation / Retirement	2	2	4	3	11
Debarment (vendors)	0	14	0	0	14

Other Types of Recommendations

- Policy Recommendations
 - ❖ Debarment Policy (adopted April 7, 2011)
- Recommendations based on Program Reviews
 - ❖ Adult Education (7/1/2011 – 12/31/2011)
 - ❖ M/WBE Monitoring (1/1/2012 – 6/30/2012)
- Others
 - ❖ Reversal of suspension (1/1/2011 – 6/30/2011)
 - Not Sustained allegation (7/1/2011 – 12/31/2011)
- Recoupment of funds

Recommendations to Recoup Funds

Time Period	Case Number	Type	Amount	Result
7/1/10 to 12/31/10	11-0034	Falsification of Resume	\$307,102.57	Default judgement (1/24/2012)
1/1/2011 to 6/30/2011	11-0077	Failure to disclose loss of peace office status	\$14,796.16	Demand letter to be issued
1/1/2012 to 6/30/12	12-0020	Falsification of Attendance Records	\$180.00	
1/1/2012 to 6/30/12	12-0020	Falsification of Attendance Records	\$390.00	
1/1/2012 to 6/30/12	12-0020	Falsification of Attendance Records	\$210.00	
1/1/2012 to 6/30/12	11-0092	Inappropriate employee scholarship reimbursement	\$242.17	Deducted from award
1/1/2012 to 6/30/12	11-0092	Inappropriate student scholarship	\$500.00	Award rescinded
1/1/2012 to 6/30/12	11-0100	Falsification of Attendance Records	\$11,489.89	
1/1/2012 to 6/30/12	12-0171	Double Payments	\$393.72	
1/1/2012 to 6/30/12	12-0171	Incorrect pro-ration of lecturer contract	\$1,151.76	
Totals			\$336,456.27	

Criminal Prosecution

NEWS

THURSDAY, AUGUST 23, 2012 •

Alvarez: Prof with fake Ph.D. was paid extra \$307K

BY RUMMANA HUSSAIN
Criminal Courts Reporter
rhussain@suntimes.com

When Carol Howley was hired by the City Colleges of Chicago in 1995, the professor allegedly told administrators she was working toward her Ph.D.

She never received the degree, but for the next 15 years, Howley lied to her superiors and eventually presented them with fake transcripts from Rush University that showed she reached her goal, allowing her to pocket an extra \$307,000, Cook County State's Attorney Anita Alvarez said.

If it weren't for a prospective out of state employer, diligent local investigators and others, Howley, 64, and a handful of other former Chicago-area educators would have continued stealing money allocated for schools, Alvarez said Wednesday in announcing charges against the group in her ongoing "Operation Cookie Jar" probe.

"The theft of public money by individuals who are in positions of public trust is always egregious, but the theft of money from schools is absolutely outrageous and extremely offensive when the ultimate victims are our school children," said Alvarez. She was joined by inspectors general for the Chicago Public Schools and City Colleges and by

Thomas Utz, a special agent with the U.S. Department of Education's Office of the Inspector General.

Howley remains in Fort Collins, Colo., where she currently lives, but she is expected to be arraigned here soon, officials said.

Another former City Colleges employee, Nastatia Trotter-Gordon, 43, allegedly asked Northwestern Memorial Hospital workers who helped coordinate a conversational Spanish class to mail checks to her instead of Kennedy-King College. Through that ploy, Trotter-Gordon, then Kennedy-King's director of Business and Industry, ended up with more than \$51,000 in her personal bank account, Alvarez said.

Trotter-Gordon was ordered held in lieu of \$75,000 bail for forgery Wednesday.

Louis James, 58, a former sports administrator for the Chicago Public Schools, is accused of forging checks, purchasing items and then returning them — and then pocketing the cash to buy champagne, flowers, chocolate, condoms and a king-size mattress.

Another former Chicago Public School employee, Sonia Lopez, 49, wrote 14 fraudulent checks to herself totaling \$21,000 while she worked as a teaching assistant at Thurgood Marshall Middle School, Alvarez said.

Lopez is also accused of swiping



Cook County State's Attorney Anita Alvarez announces the charges against multiple public education employees Wednesday in the "Operation Cookie Jar" probe. | JOHN H. WHITE/SUNTIMES

\$3,000 in cash from student fees and other payments.

Both James and Lopez were ordered held in lieu of \$30,000 bail for their alleged crimes Wednesday.

Alvarez's announcements came a day after former Harvey-Dixmore School District 147 Supt. Alex Boyd was ordered held in lieu of \$150,000 bail for theft and official misconduct charges for allegedly stealing the cash-strapped district's money to line his own pockets.

Boyd's secretary, Mable Chapman, was also charged with helping

Boyd pull off his ruse by signing off on the fraudulent transactions, Alvarez said. Boyd, now 65, would allegedly buy Chapman airline tickets for trips using district funds. Five of Chapman's friends and relatives ended up on the payroll, officials said. Chapman also asked maintenance staff to use district equipment to clear snow off her driveway in Harvey, Alvarez said.

Chapman, 58, wasn't in court Tuesday but arrangements have since been made for her surrender, Alvarez said.

Teacher accused of faking degree in wage scam

Ex-professor made \$300K in undue pay, authorities say

By JENNIFER DELGADO
Tribune reporter

A former City Colleges of Chicago professor falsified a doctoral degree to pocket hundreds of thousands of dollars in fraudulent pay, Cook County prosecutors said Wednesday.

Carol Howley, a nursing professor at Richard J. Daley College, was indicted on charges of theft of government property for allegedly pretending to be enrolled in doctoral classes at Rush University when she was hired in 1995. Two years later, she falsely claimed to have earned the doctorate and provided a forged transcript detailing the courses she claimed to have taken, prosecutors said Wednesday.

With pay based in part on educational experience, Howley was overpaid by \$307,000, according to the charges.

The theft came to light when a Colorado employer considering whether to hire Howley tried to verify her doctoral degree, according to John A. Gasiorowski, the inspector general for City Colleges.

Bash told Daley College it didn't have any records of Howley ever attending the school, prompting the inspector general's office to investigate. The probe uncovered that Howley lied about graduating with the doctorate in January 1997 and had never enrolled in the school's doctoral program.

Gasiorowski said Howley attempted to resign in De-

City Colleges' board of trustees fired her in February 2010 based on his office's findings.

Howley, 64, who now lives in Fort Collins, Colo., couldn't be reached for comment. A spokeswoman for State's Attorney Anita Alvarez said the department is working with authorities in Colorado to bring the former professor to Cook County.

At a news conference, Alvarez also announced indictments against two former Chicago Public Schools employees and a former City Colleges official.

Sonia Lopez, 49, who worked as a teaching assistant and treasurer at Marshall Middle School, was charged with theft after she allegedly wrote 14 unauthorized checks to herself for more than \$21,000 and took an additional \$3,000 from student fees and payments, Alvarez said.

Louis James, 58, a former manager of sports administration for CPS, was accused of stealing \$9,000 and using the money to buy sparkling wine, flowers, chocolates, condoms and a king-size mattress at Costco. He was indicted on charges of theft and official misconduct.

Nastatia Trotter-Gordon, 43, a former director of business and industry at Kennedy-King College who coordinated a conversational Spanish program for employees at Northwestern Memorial Hospital, was charged with forgery for allegedly stealing more than \$51,000.

The scheme was uncovered after Trotter-Gordon requested that she pick up the payments.

Chicago Tribune | Section 1 | Thursday, August 23, 2012 | 13

Bi-Annual Report

(Section 2.7.5 of the Board By-Laws)

The Inspector General shall provide to the Chancellor and the Board a summary of investigations and audits resulting in sustained findings of waste, fraud or misconduct for the period of January 1st through June 30th not later than September 1st and for the period of July 1st through December 31st not later than March 1st each year.....

Bi-Annual Report for January 1, 2012 to June 30, 2012

- ❖ Submitted on August 7, 2012

- ❖ Currently posted on the OIG portion of the CCC website with previous Bi-Annual Reports

Complaints Filed (January 1, 2012 to June 30, 2012)

Subject Matter	Number
Sexual or Other Harassment	2
Grade Tampering	3
Ethics Violation	3
Conduct Unbecoming a Public Employee	4
Misappropriation of Funds / Theft	5
Fraud / Financial Aid Fraud	6
Discourteous Treatment	6
Preferential Treatment	7
Other CCC District-Wide Employee Manual Violations	8
Discrimination	9
Inattention to Duty	9
Falsification of Attendance Records	10
Residency	13
Reviews Initiated by the OIG	14
Total	99

Bi-Annual Report for January 1, 2012 to June 30, 2012

- **98** complaints closed during the time period
 - ❖ 14 sustained findings of waste, fraud and/or misconduct
 - ❖ 53 not sustained / no policy violation
 - ❖ 24 referrals
 - ❖ 7 subject not active employee
- As of June 30, 2012, the OIG had **91** pending investigations

Bi-Annual Report for January 1, 2012 to June 30, 2012

- Three Reviews
 - ❖ Follow-up to the Internal Audit review of P-Card use at the Colleges from July 2010 to June 2011
 - ❖ M/WBE compliance monitoring
 - ❖ Salary Lane IV Placements
- 2012 Annual Certification of Residency Audit
 - ❖ Required by Section 4.6(a) of the Board Policies and Procedures for Management and Government

Bi-Annual Report for January 1, 2012 to June 30, 2012

- Summaries of sustained investigations
 - ❖ Procurement Policy violations
 - ❖ Ethics Policy violations
 - ❖ Scholarships granted by CCC Foundation
 - ❖ Falsification of Attendance Records
 - ❖ Providing false data to an accrediting body
 - ❖ Misappropriation of funds
 - ❖ Residency Policy violations

The OIG should be considered a success when students, faculty, staff, administrators and the public:

- ❖ perceive the OIG as a place where they can submit their complaints / concerns in a confidential and independent setting;
- ❖ trust that a fair, independent, accurate, and thorough investigation will be conducted and that the findings and recommendations made by the OIG are objective and consistent; and
- ❖ expect that the OIG's findings will be carefully considered by CCC administration and that the OIG's recommendations will be implemented when objectively appropriate.

Questions?