



**Metropolitan Water
Reclamation District
of Greater Chicago**



Office of the Independent Inspector General

“[T]o detect, deter and prevent corruption, fraud, waste, mismanagement, unlawful political discrimination or misconduct in the operation of County government.”

**Metropolitan Water Reclamation District of Greater
Chicago
Quarterly Report
4th Quarter 2019**

January 15, 2020

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January 15, 2020

Via Electronic Mail

Honorable Kari K. Steele
and Honorable Members of the Metropolitan
Water Reclamation District of Greater Chicago
Board of Commissioners
100 East Erie Street
Chicago, Illinois 60601

Re: Independent Inspector General Quarterly Report (4th Qtr. 2019)

Dear President Steele and Members of the Board of Commissioners:

As you know, on April 18, 2019 the Board of Commissioners of the Metropolitan Water Reclamation District of Greater Chicago (MWRD) adopted Ordinance O19-003 entitled Office of the Independent Inspector General (MWRD OIIG Ordinance) that has been designed to promote integrity and efficiency in government and provide independent oversight of the MWRD. Additionally, an Intergovernmental Agreement between the County of Cook and MWRD became effective by full execution of the parties on May 17, 2019 (Sec. II. Term of Agreement) thereby authorizing the OIIG to initiate operations relating to the MWRD. This quarterly report is written in accordance with Section 2-287 of the MWRD OIIG Ordinance to apprise you of the activities of this office during the time period beginning October 1, 2019 through December 31, 2019.

Background

In accordance with the MWRD OIIG Ordinance, this office will report quarterly the number of investigations initiated and concluded during the subject time period along with other relevant data concerning the activities of the office. Quarterly reports also set forth OIIG recommendations for remedial or other action following the completion of an investigation and track whether recommendations were adopted in whole or in part or otherwise not implemented by the MWRD. Finally, quarterly reports also describe miscellaneous activities of the OIIG that may be of interest to MWRD officials, employees, contractors and members of the public.

OIIG Case Activity

In connection with the number of complaints received by the OIIG, please be aware we have received a total of 16 new complaints during this reporting period.¹ This number also includes

¹ Upon receipt of a complaint, a triage/screening process of each complaint is undertaken. In order to streamline the OIIG process and maximize the number of complaints that will be subject to review, if a

those matters resulting from the exercise of my own initiative (MWRD OIIG Ordinance Section Two (citing Cook County Code, Sec. 2-284(2))). Eleven MWRD OIIG case inquiries have been initiated during this reporting period while a total of 27 MWRD OIIG case inquiries remain pending at the present time. Please be aware that two OIIG investigations have been initiated following the inquiry review process while one matter has been referred to management or other enforcement agency this reporting period.

OIIG Summary Reports

During the 4th Quarter of 2019, the OIIG issued three summary reports on MWRD matters. The following provides a general description of each matter and states whether OIIG recommendations for remediation or discipline have been adopted. Specific identifying information is being withheld in accordance with the OIIG Ordinance where appropriate.²

IIIG19-0278. This review was initiated by the OIIG to ascertain whether MWRD elected officials are misusing MWRD email accounts for political purposes. During the course of this review, the OIIG conducted multiple internet searches of MWRD Commissioners' websites paid for by their political committees, conducted searches in an email management tool, and examined MWRD Administrative Procedures and the MWRD Ethics Ordinance.

Through public internet searches of MWRD Commissioners' personal websites paid for by their political committees and information provided from the Illinois State Board of Elections' website, the OIIG identified a total of eight political websites. Additionally, a total of 13 potential political email accounts were discovered through this process.

The OIIG conducted searches in the MWRD's cloud-based email management tool with each of the identified political email accounts associated with each of the nine MWRD Commissioners for the period of June 1, 2018 through October 23, 2019. The email management tool allowed the OIIG to identify MWRD email accounts³ that received emails from the 13 identified political email accounts.

An examination of these emails revealed that two Commissioners did not utilize their political email accounts to send any emails to MWRD email accounts. Three Commissioners

complaint is not initially opened as a formal investigation, it may also be reviewed as an "OIIG inquiry." This level of review involves a determination of corroborating evidence before opening a formal investigation. When the initial review reveals information warranting the opening of a formal investigation, the matter is upgraded to an "OIIG Investigation." Conversely, if additional information is developed to warrant the closing of the OIIG inquiry, the matter will be closed without further inquiry.

² The OIIG issues a Quarterly Report relating to the MWRD separate from the one it issues for other government agencies under its jurisdiction. The Quarterly Reports for MWRD matters can be found at <https://www.cookcountyil.gov/service/metropolitan-water-reclamation-district-greater-chicago>.

³ MWRD email accounts are any email address with the domain of "MWRD.org."

utilized their political email accounts to send emails to MWRD email accounts that were not political in nature.

One Commissioner used two political email accounts to send political solicitation emails to MWRD email accounts. All 25 emails sent from one of this Commissioner's email were invitations to the Commissioner's fundraising event held last year. The emails included ticket prices for the fundraising event ranging between \$250 and \$2,500. The 25 emails were sent to 10 different MWRD employees. Five of the six emails sent from this Commissioner's other email account were sent to the Commissioner's MWRD email account. A sixth email was sent to three MWRD employees with the subject of "donate" and the body of the email containing a link to Commissioner's ActBlue⁴ account.

All 22 of the emails from one of another Commissioner's email accounts were political in nature and sent to two different MWRD employees' MWRD email accounts. Twenty of the emails were related to the Commissioner's fundraisers. The others were political solicitation emails paid for by the campaign account of the Commissioner and included a donate link. The 175 emails from the Commissioner's other email account appeared to be all MWRD business related.

A review of the 1,118 emails sent from another Commissioner's email account revealed that over 90% of the emails were MWRD business related. Many of those emails were sent to the Commissioner's staffers with instructions to add events, including political events, to the Commissioner's MWRD calendar. There were other occasions where this Commissioner requested staff to add certain individuals to "the list" to receive the Commissioner's newsletter. Additionally, there was one email sent by the Commissioner to a staffer discussing petition sheets and collecting signatures for another elected official.

All 450 of the emails sent from one of another Commissioner's email accounts appeared to be MWRD business related. A review of the emails sent from the Commissioner's other email account revealed that 21 out of the 26 emails were political in nature. The MWRD employees receiving these emails were invited to join the Commissioner at events like a post swearing-in celebration and a labor celebration, all requesting donations.

The evidence developed during the course of this review supports the conclusion that several MWRD Commissioners have been misusing MWRD email accounts for political purposes. Four of nine MWRD Commissioners used their private emails to solicit MWRD employees through their MWRD email accounts for political purposes. One Commissioner sent invitations to political fundraisers to 10 different MWRD employees' MWRD email accounts and sent a donate link to three MWRD employees' MWRD email accounts. Another Commissioner sent over 20 invitations to MWRD email accounts for political fundraisers with a donate link. Another Commissioner sent an email to a MWRD employee email account discussing petition sheets and collecting signatures for another elected official. Another Commissioner sent 21 emails containing

⁴ ActBlue is a nonprofit technology organization that enables individuals and organizations to raise money on the internet by providing them with online fundraising software.

invitations to the Commissioner's events and requesting donations through MWRD employee email accounts.

These activities not only involve the use of MWRD technology for political purposes, they also are concerning because they may distract MWRD employees from their work and potentially entice an employee into committing a violation of the MWRD Ethics Ordinance by engaging in prohibited political activity while at work.

The MWRD Ethics Ordinance No. 04-001 Article 5 – Prohibited Political Activities states: “No officer or employee shall intentionally use any property or resources of the District in connection with any prohibited political activity.” Furthermore, receiving such emails may cause employees to feel pressured to contribute to the Commissioner's political causes in order to keep their jobs, advance in the workplace, avoid being the subject of a negative employment action or criticism or simply to remain in the good graces of the elected official.

Finally, the Information Systems Security and Usage (ISSU) policy (Section IT.BEF.2.2 Acceptable and Unacceptable Use of Assets) and Administrative Procedure 10.36.0 Human Resources – Political Activities provide additional guidance to MWRD officials and employees. The ISSU policy along with Administrative Procedure 10.36.0 Human Resources – Political Activities both state that solicitations may not be made through the email system and the MWRD's technical resources should not be used for personal gain or the advancement of individual views.

Based on the above findings, this office recommended that the MWRD Commissioners inform their political organizations to refrain from contacting MWRD employees through their MWRD email addresses. We have received one Commissioner's written response adopting this recommendation that also outlines additional safeguards that are being implemented to ensure unintentional communications sent through MWRD technology from politically sponsored emails will not occur. Similar statements from other Commissioners have been provided verbally pending the time for the submission of a response per Section 2-285(e) of the OIIG Ordinance.

IIG19-0318. The OIIG initiated this investigation in response to a concern that the MWRD Director of Information Technology had permitted an SAP vulnerability to exist unaddressed for an extended period during which the MWRD SAP servers were exposed to external threats. In order to assess the timing and nature of the MWRD's response to the risk posed by the SAP vulnerability, this office initially undertook a series of interviews with Information Technology (“IT”) personnel who were involved in the MWRD response to this vulnerability. In addition, this office reviewed communications between the various responsive personnel in order to verify information obtained during the interviews as well as determine whether those communications disclosed any additional relevant information.

The preponderance of the evidence developed during the course of this investigation failed to support the conclusion that the MWRD Director of IT improperly discharged his duties with respect to ensuring the MWRD SAP servers were adequately protected from external threats.

SAP, like other major software producers, issues technical bulletins with recommended software patches on a regular basis. When considering the external risks to MWRD SAP servers, we have found that there were two major threats identified within the last few years. The first took place in May of 2016. Specifically, the MWRD IT Section was made aware of a particular SAP vulnerability on May 12, 2016. The vulnerability related to possible exploitation of SAP business applications via intrusion to the MWRD SAP servers. In response to that vulnerability, members of the IT Section notified the Director of IT, installed security patches recommended by SAP at the time, and further advised the Director that they would create a script to notify MWRD if the vulnerability were somehow reactivated. The second took place three years later on May 2, 2019. On that date, the media reported that an entirely new exploit, referred to as “10KBlaze,” presented an opportunity for hackers to enter otherwise secure SAP servers which were accessible from the internet. Once inside, a hacker could develop ever-escalating capability within the system and eventually achieve full administrator rights. On that same morning of May 2, 2019, the MWRD Director of Finance forwarded a media report regarding this issue to the Director of IT and requested that the Director of IT advise what steps were being taken to protect the MWRD.

Over the next 24 hours and under the direction of the Director of IT, several members of the MWRD IT Section studied reports of 10KBlaze, evaluated whether the MWRD was compliant with existing recommended SAP security patches, and consulted with SAP on this emergent issue. Importantly, to ensure MWRD SAP server security, members of IT opened service tickets with both SAP and Cisco Systems in order to evaluate whether the MWRD was exposed or had suffered an intrusion. By the afternoon of May 3, 2019, the results of these efforts and evaluations indicated that the MWRD was compliant with security patch recommendations, had suffered no SAP intrusions, and was sufficiently secure from 10KBlaze. In the ensuing days the MWRD communicated with a consultant to consider whether there were any additional steps the MWRD might consider to ensure SAP security from 10KBlaze. From our interviews of MWRD employees in the IT Section, there was consensus in May of 2019 that the MWRD had taken all necessary steps to mitigate the threat of 10KBlaze.

IIG19-0596. The OIIG initiated this investigation following an anonymous complaint by an MWRD employee. The complainant alleged that on August 14, 2019 an MWRD senior engineer and an associate engineer were assigned to take field measurements and conduct a visual structural inspection at the Calumet Water Reclamation Plant (CWRP). One of the employees (Employee A) was lifting a metal grate which was directly over a channel which fed into the north end of the Aeration Battery Tank A2, when the grate slipped off its support and Employee A fell into the influent channel which contained untreated sewage. The other employee (Employee B) was able to pull Employee A out of the channel and to safety. The complainant alleged this accident was not documented nor investigated by the MWRD as required. In addition, it is alleged that an MWRD management official was overheard stating that Employee A should not receive any discipline for alleged safety violations because “falling into the tank was punishment enough.”

The preponderance of the evidence developed in this investigation failed to support the conclusion that MWRD officials failed to investigate the August 14, 2019 incident as alleged in the anonymous complaint. In addition, the complainant alleged the MWRD failed to impose

discipline on the employee who fell into the channel due to an MWRD supervisor believing the employee who fell into the channel had suffered enough punishment. Rather we have determined that MWRD conducted a prompt and comprehensive investigation of the incident and subsequently issued a very thorough report detailing its conclusions. Appropriate disciplinary action was also imposed on Employees A and B and to their supervisors. Importantly, the report regarding the incident also focused on measures to prevent future incidents and creating a safer work environment for staff.

Miscellaneous OIIG Activity

Please be aware that our office recently hired two new investigators. Investigator John Barrientos has joined the OIIG with several years of investigatory experience having served as an Assistant Legislative Inspector General with the City of Chicago Office of Legislative Inspector General and most recently as Assistant Compliance Officer and Senior Investigator with the Chicago Park District Office of Inspector General. Investigator Wendi Liss joins the office as an investigator focusing on employment discrimination and harassment matters. Investigator Liss has 17 years of experience with investigations and compliance and particular experience with respect to discrimination and harassment matters from prior positions including Visiting Title IX and Equity Compliance Specialist for the Office of Access and Equity at the University of Illinois at Chicago, Title IX and Accommodations Coordinator at the UIC John Marshall Law School, and Investigator and Interim Title IX Officer with the Office of Diversity, Equity and Inclusion at San Jose State University.

Conclusion

Thank you for your time and consideration to these issues. Should you have any questions or wish to discuss this report further, please do not hesitate to contact me.

Very truly yours,



Patrick M. Blanchard
Independent Inspector General

cc: Mr. Brian Perkovich, Executive Director
Ms. Susan T. Morakalis, General Counsel