



**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
2nd Quarter 2021**

July 15, 2021



OFFICE OF THE INDEPENDENT INSPECTOR GENERAL

Patrick M. Blanchard, Inspector General

69 West Washington Street | Suite 1160 | Chicago, IL 60602 | (312) 603-0350

July 15, 2021

Transmittal 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 (2nd Qtr. 2021)

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 April 1, 2021 through June 30, 2021.¹

OIIG Case Activity

In connection with the number of complaints received by the OIIG, please be aware we have received a total of 8 new complaints during this reporting period. This number also includes those matters resulting from the exercise of my own initiative (MWRD OIIG Ordinance Section Two (citing Cook County Code, Sec. 2-284(2))). One OIIG investigation has been opened and eight OIIG case inquiries have been initiated during this reporting period while a total of ten OIIG case inquiries remain pending at the present time.² We have referred no matters to management or

¹ In accordance with the MWRD OIIG Ordinance, this office reports 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.

² 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

other enforcement or prosecutorial agencies for further consideration during this reporting period. The OIIG currently has no matters open more than 180 days of the issuance of this report.

OIIG Summary Reports

During the 2nd Quarter of 2021, the OIIG issued one summary report on MWRD matters. The following provides a general description of the matters 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.³

IIG20-0475. During 2020, the OIIG received a complaint from a concerned resident alleging that the MWRD is not efficiently and effectively managing construction contracts. Additionally, the resident stated that construction contracts experience very long delays and cost overages that far exceed the original contract awarded amounts and estimated times for completion. The OIIG subsequently initiated this review to assess the MWRD's contract delivery processes and contract costs.

During our review, we gathered information from key MWRD senior officials familiar with the MWRD's procurement process and contract monitoring activities. These individuals include the Director of Procurement, Director of Engineering, and two Assistant Directors of Engineering. Additionally, we interviewed MWRD design and resident engineers directly responsible for specific construction projects under contract. We also made inquiries to the Cook County Chief Procurement Officer to develop insight into certain industry practices. In addition to our contacts and interviews with MWRD senior officials and engineers, the OIIG reviewed the following files, reports, and guiding law and policy as part of this evaluation:

1. Contract Files (contracts, change orders; vendor correspondence);
2. Department of Engineering Managerial Reports (Projects Under Construction Reports; Schedule Status Reports; Value of Current Pay Applications Reports); and
3. State laws, Procurement rules, and procedures in connection with construction contracts.

We also conducted site inspections involving three construction projects.

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.

³ 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 issued involving MWRD matters can be found at <https://www.cookcountyil.gov/service/metropolitan-water-reclamation-district-greater-chicago>.

Scope and Methodology

The OIIG made requests to the Department of Engineering for reports related to contract monitoring for those issued during the 2017-2020 timeframe which include project description, awarded amount, original completion date, projected completion date, and contract sum to date. The Director of Engineering (“Director”) provided us this information with three reports referred to as the Contract Schedules, Current Payments, and Contract Values for construction projects.

The Director explained that their goal is to finish each project within budget and on schedule. However, ‘best in class’ is considered to be within 5% of the original budget (cost) and within 20% of original schedule (time). We selected a sample of 10 construction projects from the reports for further examination. We were also provided access to all relevant change orders, contractor correspondence, contracts, etc. (“Contract Files”).

OIIG Findings, Conclusions and Recommendations

This office sought to assess MWRD compliance with both its internal policies and Illinois law regulating change orders in public construction contracting. We found that the MWRD is in substantial compliance with these requirements. Our finding included a careful examination of the contract files of the selected sample group with a focus on whether the determination to grant the change order request was appropriately documented and based on the criteria set forth under Illinois law and in accordance with MWRD policy. Below are some of our specific findings and recommendations:

1. Five of the 10 contracts in our sample exceeded the MWRD’s 5% benchmark for cost overages. Our review revealed that the contract overages were caused by structures being underwater or underground (e.g., pumping stations columns, tunnels, sewers, reservoirs, etc.), as well as unforeseen issues caused by the age of structures. Therefore, the MWRD contractors frequently encountered more deterioration than could be identified during the planning stages for the contracts. We did not identify any deviations from the MWRD’s internal procedures or Illinois law regulating change orders in public construction contracting in connection with cost overages.
2. Each construction project in our sample exceeded the originally scheduled completion date by at least 100%. We conducted a review of five of these contracts. In general, the contractors’ reasons for time delays included weather conditions (rain or winter), the COVID Pandemic, structures underwater or underground, and more deterioration than could be identified during the planning stages for the contract. We determined that the contract files involving change orders contained the requisite information to support the change orders based on time delay.

Additionally, it was noted that the Department of Engineering authorizes change orders for time delays without the necessity of securing Board approval. The information provided to the Board for reporting purposes, at times, failed to contain information sufficient for the

Board and public to understand the basis for the change orders. Although not required, we believe the provision of additional information demonstrating the reasons for the change orders should be provided to the Board and public as well in the Report of Change Orders.

3. A Resident Engineer stated that the current contract specifications are overly complex. This causes problems for the Resident Engineer to modify and maintain an updated construction schedule. Also, there are specifications or design drawings the Resident Engineers do not understand. The MWRD should ensure that the Resident Engineers completely understand the contract specifications and keep them in mind when drafting contract specifications.

These recommendations are currently pending.

Outstanding OIIG Recommendations

In addition to the new cases being reported this quarter, the OIIG has followed up on outstanding recommendations for which no response was received at the time of our last quarterly report. Under the OIIG Ordinance, responses from management are required within 45 days of an OIIG recommendation or after a grant of an additional 30-day extension to respond to recommendations. Below is an update on the outstanding recommendations.

From the 1st Quarter 2021

IIIG19-0579. The OIIG received an anonymous complaint that an MWRD senior official hired a friend of a family member to be her Secretary to Officer. As a result, this office opened an investigation to determine the circumstances of the hire.

This office examined documents related to the hiring sequence in question and determined that the Human Resources Department (“HR”), working with the subject senior official, assisted in the development of the posting for the position, posted the position and ranked the 167 ensuing applicants based on the applicants’ individual qualifications. We immediately observed that the person hired, hereinafter “Employee C,” was, per HR screening, among the lowest scoring applicants for the position yet was among seven candidates selected for interview. During the investigation, we reviewed various documents relating to the subject hiring sequence and interviewed various witnesses involved in the hiring process, including the subject senior official and Employee C, as well as a family member of the subject official who is also employed at the MWRD.

The preponderance of the evidence developed by the investigation showed that Employee C received special considerations in her application for employment at the MWRD. Further, those special considerations, including an offsite private meeting with the subject official prior to formal interviews, flowed exclusively from Employee C’s relationship with the subject senior official’s family. The special considerations given to Employee C elevated Employee C’s standing among all applicants despite the contrary professional judgement of HR that Employee C was among the

least qualified. Thus, the special considerations and ensuing hire of Employee C constituted a breach of the subject senior official's fiduciary duty to the MWRD given that these circumstances create a strong appearance of impropriety.

During the investigation, witnesses asserted that Employee C was never expressly promised the position and has been successful at the MWRD. Further, it has been asserted that the scoring method used by HR to assess qualified candidates was not optimal given the needs of the department and that the position is, after all, exempt from civil service requirements. All of that may be accurate. However, those circumstances are insufficient to overcome the clear appearance of impropriety in this hire. Despite the assertion of Employee C's qualifications and the attestations that no promises were made and every applicant was given equal and fair consideration, the larger circumstances surrounding this hire demonstrate otherwise. Those additional circumstances include that the subject senior official, based on a referral from a family member, chose to disregard the judgement expressed in HR rankings by elevating Employee C, a family friend, from the bottom of those rankings. That the subject senior official arranged, even before the position was posted, a private offsite meeting with Employee C to discuss the position compels the conclusion that the special considerations afforded Employee C were dispositive and the ensuing HR posting activities meaningless.

We note the posting for the position in question contained the following language:

The Metropolitan Water Reclamation District of Greater Chicago is committed to hiring and employment practices that base employee selection on an applicant's knowledge, skill and ability to perform effectively on the job; provide equal employment opportunity to all qualified applicants; *prohibit the entry of political reasons or factors and other improper considerations into any stage of the selection and hiring processes; and create a transparent, honest and fair hiring system.* (Emphasis added.)

This office takes this language to mean all applicants were on an equal footing when they applied for this position. Yet the evidence developed by the investigation demonstrates this was not the case, and it is doubtful the other applicants for public position would view the considerations afforded Employee C as part of a "transparent, honest and fair hiring" sequence.

Finally, the evidence developed by the investigation highlighted that the hiring procedures used in filling vacant Secretary to the Officer positions have been inconsistent. The civil service exemption codified in the MWRD statute has allowed for a practice of inconsistent hiring procedures and, in this hire, an appearance of impropriety resulting from significant special considerations afforded a family friend.

Accordingly, based upon the foregoing, we respectfully recommended that the MWRD:

1. Create a uniform process to be utilized by HR and officers for the hiring of Secretaries to Officers which includes:
 - a. Job descriptions including minimum qualifications;
 - b. Public posting of vacant positions;
 - c. A requirement that all employment recommendations be in writing and based on the author's personal knowledge of the candidate's work experience, skills or other job-related qualifications.
2. Counsel and admonish the subject senior official against such future hiring decisions creating an appearance of impropriety by the MWRD.

The MWRD substantially adopted Recommendation One. Recommendation Two remains pending.

IIG20-0286. The OIIG received a complaint alleging that the MWRD is improperly paying funds to separated employees for unused vacation time from prior years. OIIG investigators conducted a review of the vacation time policy and spoke to officials from the Finance and Human Resources Departments regarding MWRD protocols. The OIIG also reviewed Separation Payout information from 2018-2020.

The preponderance of the evidence developed by the investigation demonstrates that employees who separate from the MWRD after March 31st each year are being paid out for vacation time they have accrued in the prior year and carried over. Despite that the District Vacation Allowance Usage Policy states that all vacation carried over into the following year shall be used by March 31st, the investigation revealed that from 2018-2020 at least 41 individuals received payouts after March 31 for the prior years' vacation time which was carried over. For the last three years this has totaled \$99,687.00 in payouts in carryover vacation time. (This amount is separate from the appropriate vacation time payouts based on vacation time accrued in the year the separation occurred.)

Further, the preponderance of the evidence reveals that the use of the forms to request and document approval of vacation carryover is not uniform nor always in compliance with the particulars of the policy, namely extended use deadlines and stating the reason for the request, etc.

The OIIG recommended that the MWRD:

1. Configure its SAP platform to automatically strike any unused carryover vacation time from employees' vacation balances on April 1st;
2. Counsel all directors regarding the particulars of the Vacation Allowance Usage Policy so as to ensure full compliance in processing future requests.

The MWRD responded that it will not implement the first recommendation at this time but will take it under advisement and will monitor the situation as the pandemic situation continues to evolve. The MWRD adopted the second recommendation.

IIG20-0353. An anonymous complainant alleged that an employee has been subjected to ongoing abuse from a senior official. During the investigation, the OIIG also learned that the subject senior official would occasionally bring a child to the workplace. OIIG investigators conducted interviews of employees in the department, witnesses from other MWRD departments, and the subject senior official. OIIG investigators also reviewed various MWRD policies and Illinois law.

OIIG Findings and Conclusions

I. MWRDGC Administrative Procedure 10.27.0 – Rules for Employee Conduct, states, in part, that:

1.(a) “Employees are expected ... to conduct themselves in a manner acceptable in the workplace.”

In assessing whether the conduct of the subject senior official and, in particular, her conduct in relation to the particular employee rises to the level of harassment, we must recognize that the senior officials’ efforts were directed toward correcting and improving the employee’s work performance. The information developed consistently suggested that the employee had been experiencing performance issues. The subject senior official has further described the employee’s resistance to instruction and oversight. Human Resources, in investigating the employee’s earlier complaints, has concluded that she is a difficult employee unwilling to accept constructive criticism. On the other hand, the employee and certain other witnesses have described the subject senior official’s behavior as condescending toward the employee and has included yelling and screaming. The subject senior official has acknowledged her level of frustration toward the employee’s performance issues may have been apparent to others when she communicated with her, but she denied ever yelling or screaming. Notwithstanding the apparent disparate views of these circumstances, it is clear that the level of tension between the employee and the subject senior official is high.

The senior official is responsible for the employee performance of those individuals she is charged with supervising. This includes imposing discipline where appropriate, giving instructions, correcting mistakes, monitoring work performance and addressing issues of underperformance. We also recognize that aggressive supervision can be seen by subordinate employees as supervisor harassment.

We have carefully considered all of the circumstances surrounding these allegations and do not believe that the conduct of the subject senior official represents employee harassment or intimidation. However, the preponderance of the evidence does support the conclusion that the subject senior official’s management style has included yelling and screaming at employees and

that her level of frustration with employee performance resulted in yelling or screaming at the particular employee. Particularly persuasive in corroborating this were the MWRD employees in close proximity to the subject senior official's office who were otherwise not assigned to her unit who could hear yelling and screaming through the walls of her office. In this regard, the evidence supports the conclusion that the subject senior official's conduct crossed the line from simply a management style to conduct unacceptable in the workplace in violation of section 10.27.0 of the Administrative Procedure Manual. We believe that this finding is independent of the fact that the employee has, in no small measure, contributed to the circumstances causing difficulty in the work environment.

II. MWRDGC Human Resources 10.14.0 - Children in the Workplace.

The preponderance of the evidence developed during the course of this investigation supports the conclusion that the subject senior official violated policy by bringing her grandson to work on multiple occasions. Administrative Procedure 10.14.0 states that it is inappropriate for children to be present in any District workplace for anything other than a brief visit during working hours. Employees are directed not to bring children into the workplace in lieu of making appropriate childcare arrangements.

Several witnesses have confirmed that the child is in the office for extended periods while one witness stated that she cared for the subject senior official's grandchild for 30-40 minutes while the senior official attended a work meeting. The subject senior official has advised this office that she has brought her grandchild into the office on occasion though minimized these incidents by stating she usually brings the child to the MWRD on her off day to come to the office to take care of something. Whether the number of times the child was present were numerous or limited, a policy violation occurs.

OIIG Recommendations

Based on all of the forgoing, we recommended that:

1. The subject senior official be counselled to undertake a self-assessment to ensure her conduct promotes the ideals of the MWRD in the workplace. In this regard, she should be counselled to eliminate behavior that amounts to yelling or screaming in the workplace and to always maintain a professional and respectful rapport with co-workers; and
2. The subject senior official receive admonishment and/or discipline consistent with past instances of violation of the Children in the Workplace policy.

The MWRD adopted these recommendations.

From the 4th Quarter 2020

IIG19-0518. The OIIG received information suggesting that contract participation for the Affirmative Action Program⁴ entities may be substantially below the MWRD's aspirational goals. The OIIG subsequently initiated this review to assess the MWRD's Affirmative Action Program ("AAP").

During our review, we interviewed key MWRD senior officials familiar with the MWRD's procurement process and AAP. These MWRD officials include a member of the MWRD Board of Commissioners, the Director of Procurement, the Director of Maintenance & Operations, and the Diversity Administrator. We also interviewed the Director of the Cook County Contract Compliance Office to obtain insights from a different government unit administering a MWBE Program.

The OIIG received Appendices from the Diversity Administrator that describe the contract participation for the AAP.⁵ We selected specific MWRD contracts to sample for compliance with the Appendices. We assessed the AAP actual contract participation according to the stated contract goals and assessed the process for monitoring AAP contract participation.

The OIIG reviewed MWRD Board meeting information on the legistar website for contracts that the MWRD awarded over a three-year period (2016-2019). This timeframe served as the baseline period for our AAP review. We arranged the list according to the highest dollar amount, and our judgmental sample resulted in 20 contracts worth \$193,282,707. The actual level of contract distribution amounted to \$118,192,474.

We compared the aspirational goals stated in the contracts to the aspirational goals in the Appendices. The MWRD does not generate reports that compare disbursements made to the prime contractor to payments made to the AAP participants. Therefore, the OIIG received payment information made to the prime contractors provided by the Finance and Procurement Departments. We compared the Finance Department's disbursements to prime contractors to the payments AAP participants reported to the AAP. The AAP are required to report their payments to the AAP.⁶ As discussed below, this methodology presented challenges to compare relevant payment information between the prime contractors to the AAP participants during the same baseline period.

⁴ The "SBE" reference in this report includes both SBE and VBE. VBE and SBE have different criteria, but are combined for SBE participation pursuant to the MWRD's policies. There is no separate tracking and reporting for VBE and SBE.

⁵ The Appendices are found in each contract.

⁶ The AAP Director provided the OIIG with payment information as of January 2020. The Director of Finance provided us with disbursements made pursuant to the respective contracts through May 2020. Therefore, there could be some timing differences between payments and reporting.

The mission of the AAP includes reviewing contracts, setting aspirational goals, and monitoring contract participation. The AAP operates in accordance with the contract Appendices.⁷

The Appendices establish the “aspirational goals” for AAP participation in contracts that exceed certain prescribed monetary thresholds.⁸ These aspirational goals are as follows:

Type of Contract	Minority	Women	SBE
Consulting/Professional/Services	20%	10%	10%
Construction	19.6%	6.9%	0%
Goods	0%	0%	0%

There are two general exclusions in connection with the AAP. For one, the MWRD has no Appendix for AAP participation with contracts for goods. Additionally, construction contracts do not have a provision for SBE participation.

Based upon all of the foregoing, we respectfully offered the followings recommendations:

4. The Engineering Department met the AAP’s aspirational goals for 4 MBE’s and 6 WBE’s in the 10 contracts our Office examined for this review. While there will likely be variations on AAP participation based on different contracts and timing, the data nonetheless provides a snapshot at a moment in time. The OIIG recommended that the MWRD Board requests quarterly reports from senior management that show the aspirational goals and actual outcomes. This could provide the basis for constructive discussions from the AAP, contract managers or resident engineers, and contractors – including the MBE, WBE, VBE, and SBE participants.
5. When we reviewed the Engineering Department contracts, 9 of 10 contracts had dual representation where the SBE was also the MBE or WBE. For dual representation, the MWRD does not increase the percentage of proceeds that goes to the MBE/WBE and SBE. The MBE/WBE percentage covers the SBE’s percentage. In effect, the general contractor is allowed to retain more of the contract proceeds than if he/she included a different SBE to participate in the contract through this loophole. We recommended increased aspirational goals for dual participation scenarios.

⁷Appendix A covers *MBE, WBE, and SBE* participation in professional services contracts; Appendix C covers *MBE and WBE* participation in construction contracts; Appendix K covers *MBE and WBE* apprenticeships in contracts; and Appendix V covers *VBE and SBE* participation in professional services and construction contracts (collectively “*SBE*”).

⁸ The monetary threshold for AAP participation for service contracts and apprenticeships are the total estimated expenditures exceeding \$100,000. The threshold for AAP participation for construction contracts is contracts that are estimated to exceed \$10,000 (applies to Cook County only).

6. The Engineering Department uses dual participation that could be undermining the spirit of the SBE classification. SBE's provide opportunities for business owners within a certain entity size despite their race or gender. We recommended that the MWRD reviews this practice to determine the intent supporting small business participation and adjust this practice – if necessary. Accordingly, the MWRD should establish and track separate goals for SBE's.
7. Our review revealed that the AAP does not include Furnish and Deliver contracts because the MWRD deems this practice commercially useful. Furnish and Deliver contracts are issued for goods and commodities. The three furnish and deliver contracts in our review generated \$28,917,207 (54.9%) in contract activity for our M&O sample. The OIIG recommended that the MWRD Board of Commissioners ensures that that the external consultant hired to conduct a Disparity Study assesses this policy and determine whether AAP should also apply to furnish and deliver contracts.
8. Our investigators had to create reconciliations to assess the level of MWBE participation for our review. This methodology presented challenges to compare relevant payment information amongst the MWRD, the prime contractors and the AAP participants during the same baseline period. The AAP is currently working to implement new tracking software set to go online in early 2021. MWRD senior management should ensure the AAP has the resources and assistance to meet this goal through implementation and thereafter.
9. Our review identified an intergovernmental agreement (“IGA”) between the MWRD and a workgroup totaling \$4,718,895. The contract had no aspirational goals because the AAP was not provided the IGA for MBE/WBE/SBE participation. Note that the AAP does not have an opportunity to review Furnish and Deliver contracts. The AAP's inability to directly participate in the MWRD's overall mission and strategic planning endeavors may put the AAP at a disadvantage. The OIIG recommended that the MWRD determine whether diversity and inclusion could be improved if the AAP is elevated to a department and included as part of the Executive Team.
10. We identified circumstances where contracts with no or low aspirational goals failed to include documentation that explained the reasons for modifying the aspirational goals. In our experience, documentation serves as an important internal control and provides an audit trail. Moreover, the practice would provide sources of information to evaluate the effectiveness and shortcomings of the AAP. The OIIG recommended that the AAP document the reasons for setting tailored goals. We do not believe that this practice would unduly impede upon the Diversity Administrator's professional discretion as suggested.
11. We received statements that MBE/WBE/SBE businesses do not bring concerns to the AAP about the lack of inclusion in their contracts. We recommended the MWRD encourage prime contractors and subcontractors to report issues implicating AAP goals to either AAP

or to the Inspector General's Office. This may be achieved by adding a general condition requiring the same.

In its response, the MWRD accepted recommendations 5, 6, and 7. The remaining recommendations are pending as MWRD is waiting for the results of the above-referenced Disparity Study to make a decision on the remaining recommendations. The MWRD recently indicated that the Disparity Study is ongoing with an expected completion date either at the end of this quarter or beginning of the fourth quarter of 2021.

From the 3rd Quarter 2020

IIG20-0127. The OIIG opened this case after receiving information that a Commissioner's Aide ("Aide A") was driving an MWRD vehicle assigned to the Commissioner for whom he worked (Commissioner A) late on a Sunday evening when he became involved in an accident. The OIIG opened an inquiry to determine whether the use of the vehicle and the ensuing MWRD response to the crash were consistent with MWRD policies.

The preponderance of the evidence developed by the investigation demonstrates that, following the accident, the MWRD, including Aide A, did follow established protocols for filing a police report, reporting the accident through the chain of command and cooperating with the leasing company as it sought to resolve the matter. Further, Commissioner A terminated Aide A upon recognizing that Aide A's use of the vehicle was unauthorized. Commissioner A and Aide A both advised this office that the Commissioner had directed Aide A not to use the vehicle for personal reasons. Aide A acknowledged to Commissioner A and to OIIG Investigators that his use of the vehicle during the weekend in question was for personal reasons and thus unauthorized.

While the original allegations were not sustained, our investigation revealed four important considerations upon which we made recommendations. First, we believe that the MWRD Administrative Procedure 3.1.0., in its current form, could be construed to permit personal use of a Class One vehicle by a Commissioner's Aide. The Procedure specifies that all Class One vehicles "are authorized for use in all District and personal travel." The Procedure, clearly intended to provide Commissioners with the taxable benefit of a vehicle for which personal use is permitted, does not expressly exclude other drivers from personal use. Thus, in the instant case, had Commissioner A previously permitted his Aides to use his Class One vehicle for personal reasons, the MWRD could be compromised in the event of an accident taking place during an Aide's personal use of the vehicle.

Second, the circumstances surrounding whether Aide A was duly authorized to use the vehicle each time he used it are unclear. Aide A has asserted he used a particular authorization memo to utilize the vehicle on weekends. The MWRD Administrative Services Section has reported it has no such authorization memos regarding Aide A. The MWRD Police Officers corroborated that such a memo is to be used in these circumstances, but they recalled repeated instances where Aides, including Aide A, collected vehicles without such a memo. Moreover, statements from MWRD Police Officers suggest that MWRD Police were aware and at times

concerned that Aide A did not have the required authorization memo but nonetheless permitted him to take the vehicle.

Third, the vehicle use log implemented by Commissioner A appears to be the result not of an MWRD requirement but the Commissioner's desire to track mileage in order to comply with tax law. For the purposes of this investigation, we have not delved into the practices of other Commissioners' offices but are seeking to make a recommendation for all Commissioners' offices to adopt the same practice of logging all use of Class One vehicles.

Fourth, the log used by Commissioner A disclosed use of the vehicle to attend at least one political fundraiser.

Based upon all of the foregoing, we recommended that the MWRD:

1. Consider the risk of liability associated with the circumstances where a Commissioner permits an Aide to operate the Class One vehicle assigned to the Commissioner;
2. Modify Administrative Procedure 3.1.0.I.C.2.a. to require a specific documentary procedure for Commissioners to authorize Aides to operate Class One vehicles and that such authorization exclude independent personal use by Aides;
3. Modify Administrative Procedure 3.1.0.I.C.2.a. to require detailed vehicle use logs for Class One vehicles;
4. Inform Commissioners and their Aides that the MWRD Ethics Ordinance prohibits the use of any MWRD resources, including Class One vehicles, in support of prohibited political purposes as defined by the Ordinance;
5. Maintain the current course of legal action seeking reimbursement from Aide A.

The MWRD adopted each of the OIIG recommendations.

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
Mr. John T. Joiner, Administrative Aid to the President