



**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 2024**

July 15, 2024



OFFICE OF THE INDEPENDENT INSPECTOR GENERAL

Tirrell J. Paxton, Inspector General

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July 15, 2024

Transmittal via email only

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. 2024)

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” or “District”) adopted Ordinance O19-003 entitled Office of the Independent Inspector General 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, and was extended three times by the MWRD to authorize the OIIG to continue operations relating to the MWRD. This quarterly report is written in accordance with Section 2-287 of the OIIG Ordinance to apprise you of the activities of this office relating to the MWRD during the time period from April 1, 2024, through June 30, 2024.¹

OIIG Case Activity

The OIIG received a total of 11 new complaints relating to the MWRD during this reporting period. This number includes those matters resulting from the exercise of my own initiative (OIIG Ordinance, Sec. 2-284(2)). Twelve OIIG investigations have been opened and 8 OIIG case inquiries have been initiated during this reporting period while a total of 35 OIIG case inquiries remain pending at the present time.² We have not referred any complaints to management or

¹ In accordance with the 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 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.”

outside agencies for further consideration during this reporting period. The OIIG currently has 9 open cases, and no cases open more than 180 days as of the issuance of this report.

OIIG Summary Reports³

During the 2nd Quarter of 2024, 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.

IIG24-0098. The OIIG received information alleging that an MWRD employee is misusing sick leave before his pending retirement. The OIIG reviewed MWRD sick leave payout procedures, MWRD time records, and MWRD administrative procedures. The OIIG also interviewed the subject employee.

According to the MWRD policy, when an employee separates from the District for reasons other than discharge, such employee shall receive a payment for fifty percent of his or her accumulated sick leave balance. MWRD Administrative Procedures 10.27.0, Section 2(f) provides: “Abuse of sick leave. Sick leave abuse is the use of sick leave (paid or unpaid) for absence when the employee is not sick. Employees found to have abused sick leave will not receive paid sick leave during the period of abuse.” During the relevant time period, the subject employee had 14 unverified absences which occurred every Thursday and Friday.

During his OIIG interview, the subject employee stated that he started with the District 20 years ago and is retiring soon. The employee stated that he takes a sick day every Thursday and Friday to use up his sick time before retirement. The OIIG asked if he was aware that this was considered abuse and he confirmed “yes.” The employee stated: “I was going to take off and just say that I was sick.” He assumed he was being helpful to the District staying and working due to the department being short staffed. The employee stated that everyone in his department does it and they are directed not to say anything. The employee added that the “District screwed me for 400 hours” because he is only paid out for 50% of his sick time. The employee stated that all the trades do this before they retire and “well it’s a messed-up system.”

The preponderance of the evidence, including the subject employee’s own admissions during his OIIG interview, supports the conclusion that the subject employee misused sick time every Thursday and Friday to use up his sick time before retirement. Such conduct is a violation of the MWRDGC Administrative Procedures Manual 10.27.0, Section 2(f) - Abuse of Sick Leave.

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>.

Based on the findings, we recommended that the subject employee receive a suspension or other appropriate discipline and that the MWRD seek to recover wages paid to him for his improper use of sick days. In its response, the MWRD stated that the subject employee has retired from the MWRD and the MWRD recovered the wages paid to him for his improper use of sick days. The MWRD also stated that supervisors will be trained on how to appropriately review and approve sick and other leaves.

IIG24-0195. The OIIG initiated an investigation into the alleged misuse of sick time by upcoming retirees including the subject of this investigation. During this investigation, the OIIG reviewed MWRD sick leave payout procedures, MWRD Administrative Procedures, and MWRD time records. The OIIG also interviewed the subject employee.

According to the MWRD policy, when an employee separates from the District for reasons other than discharge, such employee shall receive a payment for fifty percent of his or her accumulated sick leave balance. MWRD Administrative Procedures 10.27.0, Section 2(f) provides: “Abuse of sick leave. Sick leave abuse is the use of sick leave (paid or unpaid) for absence when the employee is not sick. Employees found to have abused sick leave will not receive paid sick leave during the period of abuse.” During the relevant period, the subject employee used the sick leave code every Monday and Friday. He used 14 sick days during this period time.

During his OIIG interview, the subject employee stated that he has worked for the District 29 years and is set to retire soon. The employee stated that the District changed the sick leave pay out plan at the end of 2010 and that “it’s a bad rule.” The employee stated he had about 439 hours and anything above that he would not be paid for. The employee stated that employees are not going to lose those hours, so a lot of people are being “sick” on their way out to get the hours down. The employee stated the District ends up losing rather than saving because employees are calling off sick instead of training staff for that vacancy. Investigators asked if other retirees use sick time every Monday and Friday and he responded, “that’s me, I’m sick every Monday and Friday that’s how I chose to do it.”

The preponderance of the evidence, including the subject employee’s own admission during his OIIG interview, supports the conclusion that he has misused sick time every Monday and Friday to use up his sick time before retirement. This conduct is a violation of the MWRDGC Administrative Procedures Manual 10.27.0, Section 2(f) - Abuse of Sick Leave.

Based on the findings, we recommended that the subject employee receive a suspension or other appropriate discipline and that the MWRD seek to recover wages paid to him for his improper use of sick days. In its response, the MWRD stated that the subject employee has retired from the MWRD and the MWRD recovered the wages paid to him for his improper use of sick days. The MWRD also stated that supervisors will be trained on how to appropriately review and approve sick and other leaves.

IIG24-0197. The OIIG received information alleging that an MWRD employee is misusing sick leave before his pending retirement. The OIIG reviewed MWRD sick leave payout procedures, MWRD time records, and MWRD administrative procedures. The OIIG also interviewed the subject employee.

According to the MWRD policy, when an employee separates from the District for reasons other than discharge, such employee shall receive a payment for fifty percent of his or her accumulated sick leave balance. MWRD Administrative Procedures 10.27.0, Section 2(f) provides: “Abuse of sick leave. Sick leave abuse is the use of sick leave (paid or unpaid) for absence when the employee is not sick. Employees found to have abused sick leave will not receive paid sick leave during the period of abuse.” During the relevant period, the subject employee used FMLA sick time on 32 workdays. During the relevant period, the subject employee used regular sick leave on 16 days.

During his OIIG interview, the subject employee stated that he has worked for the District for 23 years and has been out sick for several weeks. The employee confirmed that he was just “burning his time” because he is retiring soon. The employee stated he is not returning to the District. He said, “I’m done.”

The preponderance of the evidence, including the subject employee’s own admissions during his OIIG interview, supports the conclusion that the subject employee has been misusing FMLA sick time and regular sick time to use up his balance before retirement. Such conduct is a violation of the MWRDGC Administrative Procedures Manual 10.27.0, Section 2(f) - Abuse of Sick Leave.

Based on the findings, we recommended that the subject employee receive a suspension or other appropriate discipline and that the MWRD seek to recover wages paid to him for his improper use of sick days. In its response, the MWRD stated that the subject employee has retired from the MWRD and the MWRD recovered the wages paid to him for his improper use of sick days. The MWRD also stated that supervisors will be trained on how to appropriately review and approve sick and other leaves.

Outstanding OIIG Recommendations

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 2024

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IIG23-0461. The OIIG received a complaint alleging that two MWRD employees may have altered two State of Illinois iBid Auction listings for MWRD property for personal gain.⁴ During this investigation, the OIIG reviewed the two State of Illinois iBid Auction listings at issue, MWRD internal documents, and internal iBid spreadsheets. The OIIG also interviewed MWRD employees including the subject employees.

The preponderance of evidence in this investigation supports the conclusion that the subject employees provided false information and made misrepresentations regarding MWRD property in violation of MWRD Administrative Procedures Manual 10.27.0(3)(e) Intolerable Offenses – Engaging in fraud, deceit, or intentionally providing false information or making misrepresentations with respect to official District records. Specifically, the preponderance of the evidence supports the conclusion that the subject employees worked together in providing false information for MWRD property that they purchased for themselves on iBid and that they misrepresented and greatly exaggerated the flaws of those items in order to deter other people from bidding on them so they could gain a financial benefit for themselves.

Based on the serious nature of the violation, which involved fraud and deceit and constitutes an Intolerable Offense, we recommended that the MWRD terminate the employment of the subject employees. In addition, we recommended that the MWRD implement a policy prohibiting MWRD employees involved with items placed on iBid or the iBid process itself, as well as their household members, from bidding on MWRD items listed on iBid. In its response, the MWRD stated that both subject employees resigned and that the MWRD agrees with the recommendation for the implementation of a policy and will develop an appropriate policy that addresses the issues.

Conclusion

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

Very truly yours,



Tirrell J. Paxton
Independent Inspector General

cc: Mr. Brian A. Perkovich, Executive Director
Ms. Susan T. Morakalis, General Counsel
Mr. John T. Joiner, Administrative Aide to the President

⁴ iBid is the State of Illinois online auction website for surplus government property.