



Office of Inspector General
James W. Wagner - Inspector General



ILLINOIS STATE TOLL HIGHWAY AUTHORITY
2700 OGDEN AVENUE, DOWNTON GROVE, IL, 60515

SUMMARY ACTIVITY REPORT FOR October 1, 2014-March 31, 2015

To: The Office of the Governor
The Board of Directors of the Illinois State Toll Highway Authority
The State of Illinois General Assembly

From: James W. Wagner
Inspector General

Date: March 31, 2015

Re: Office of the Inspector General Summary Activity Report for the Period Ending
March 31, 2015.

INTRODUCTION

On January 1, 2011, the Office of the Inspector General (OIG) became effective at the Illinois State Toll Highway Authority. On July 28, 2010, legislation passed by the General Assembly that created the office of the Inspector General for the Illinois State Toll Highway Authority was signed by former Governor Quinn. On November 17, 2010 the Senate Executive Appointments Committee and the Illinois General Assembly approved the former Governor's appointment of James W. Wagner to serve as the first Inspector General with the term to run from January 1, 2011 until June 30, 2015. The legislation, which became Section 8.5 of the Toll Highway Act, (605 ILCS 10/8.5) includes Subsection (m) of Section 8.5 which states:

(m) "The Toll Highway Inspector General shall provide to the Governor, the Board of the Authority and the General Assembly a summary of reports and investigations made under this Section no later than March 31 and September 30 of each year. The summaries shall detail the final disposition of the Inspector General's recommendations. The summaries shall not contain any confidential or identifying information concerning the subjects of the reports and investigations. The summaries shall also include detailed, recommended administrative actions and matters for consideration by the Governor, the Board of the Authority, and the General Assembly."

There are no recommended administrative actions or matters for consideration by the Governor, the Board of the Authority, or the General Assembly during this period.

MISSION/JURISDICTION

The statute (605 ILCS 10/8.5) further advised in section (d) that “*the Toll Highway Inspector General shall have jurisdiction over the Authority and all Board members, officers and employees of, and vendors, subcontractors, and others doing business with the Authority. The jurisdiction of the Toll Highway Inspector General is to investigate allegations of fraud, waste, abuse, mismanagement, misconduct, nonfeasance, misfeasance, or malfeasance*”.

The statute required in section (f) (3) that: *Final reports and recommendations shall be submitted to the Authority's Executive Director and the Board of Directors for investigations not involving the Board*”.

INVESTIGATIONS

The OIG has one Deputy Inspector General, one Senior Investigator, one Investigator and one Administrative Assistant and as of September, 2014 hired a new Investigator/Auditor for the Department. In August, 2013 the Deputy IG and Investigator attended training and became Certified Fraud Examiners (CFE’s). The Senior Investigator had completed the CFE training in 2012. The Inspector General, Deputy IG and Senior Investigator have also completed Certified Inspector General and Certified Inspector General Investigator training. The OIG Investigator attended the Certified Inspector General Investigator Training during February, 2014. The new Investigator/Auditor was scheduled to attend Certified Inspector General Investigator Training during February, 2015 but travel was denied as not essential.

INVESTIGATIONS RESULTING IN DISCIPLINE:

The statute (605 ILCS 10/8.5) further required in Section (e) (3) “*Within 60 days after issuance of a final summary report that resulted in a suspension of at least 3 days or termination of employment, the Toll Highway Inspector General shall make the report available to the public by presenting the report to the Board of the Authority and by posting to the Authority's public website*” . “*The Toll Highway Inspector General shall redact information in the summary report that may reveal the identity of witnesses, complainants, or informants*”.

Pursuant to these directions, this office is reporting the following investigations for the period of October 1, 2014-March 31, 2015:

IG-14-019

The Tollway Chief of Business Systems advised that a Customer Service Representative (CSR) assigned to an Oasis location had been accused by a customer of keeping cash paid by the customer for toll violations. Following an interview, the CSR admitted to misappropriation of approximately \$10,000.00 of funds owed to the Tollway by customers who attempted to pay for missed tolls. He agreed to repay \$10,000.00 to the Tollway and resigned his employment.

INVESTIGATIONS RESULTING IN RECOMMENDATIONS:

IG-14-019

As a result of the investigation discussed above of the activities of the Customer Service Representative in misappropriating funds owed to the Tollway, the following recommendations were proposed:

1. No cash transactions should be handled at any Oasis Customer Service Center.
2. All transactions handled by any CSR at an Oasis Customer Service Center should be credit card only transactions.
3. Tollway patrons requesting to make a payment in cash should be directed to Customer Service at the Central Administration (CA) building.
4. Any transaction requiring manager approval should be requested by the CSR via e-mail or in writing to the manager on duty at the CA thereby creating a record of the request, approval and resulting transaction.

The Management Responses to the recommendations were as follows:

Management explained that ceasing cash acceptance could harm the Tollway's overall business operations by increasing operational costs and risking revenue collection. In addition, if cash was not accepted for I-Pass account replenishments at the oases, it could result in an increase in negative I-Pass accounts, which in turn would increase the number of violations issued. Further, it is not clear how many of the cash-paying patrons have the option or preference to use credit cards instead of cash. Finally the distances from the oases locations to Tollway headquarters were a minimum of 13 miles and a maximum of 50 miles which places an undue burden of travel time on the customers.

With regard to written transactions the proposal was accepted and all requests regarding settlement related dismissals will be documented in writing.

Management also added that additional signage regarding receipts and acceptance of credit cards will be in place in English and Spanish and additional cameras will be installed at the oasis customer service locations. A new computer system is to be implemented to enable automated calculation of settlements and create an audit trail.

IG-14-004

An investigation was conducted regarding the procedures followed by the Criminal Background Review Committee (CBRC) regarding hiring practices. The investigation determined sufficient reasonable cause to believe that CBRC members do not have adequate expertise or knowledge and the written policy for the CBRC is overly broad and therefore should be amended and updated. Specifically the recommendations included the following, with the Tollway Management responses after the recommendation:

1. The CBRC should adhere to current policy and require a three person committee.

Tollway Management agreed and will ensure that a three person committee continues to be the practice.

2. The current policy should be updated to require all committee members to have significant experience or training in criminal law and criminal history reports.

Tollway Management agreed that additional training should be provided and Illinois State Police (ISP) training has been identified and scheduled.

3. The current policy should be updated to require due diligence and verification of all applicants.

Tollway Management will continue to perform due diligence and verification regarding applicants convicted of a felony or crime involving fraud or dishonesty and updated procedures will be in the Policy and Procedures Manual and Standard Operating Procedures.

4. The CBRC should consult with law enforcement regarding detailed background information on applicants having conviction records.

Tollway Management will continue to use the ISP as a resource for Bureau of Information reports and FBI information.

5. The CBRC should request all information obtained by ISP or any other law enforcement agency regarding any applicant prior to hiring.

Tollway Management will require the ISP to remove information that is inappropriate for consideration such as arrest information with no subsequent conviction. Also, separate procedures are utilized regarding certain cash sensitive positions.

6. The CBRC should conduct reviews in writing through form letters rather than in person to avoid decisions based on subjective or emotional factors.

Legal implications regarding written form letters are being reviewed by the Tollway legal staff.

7. The Tollway Policy and Procedure Manual should be updated and amended to include any and all official changes, modifications and additions made by Tollway Management with regard to the CBRC.

Tollway Management agreed that the Policy and Procedures Manual should be updated to include official changes, modifications and additions. However, the Tollway will continue to update policies between versions of the entire manual being issued.

GENERAL SUMMARY OF ACTIVITY:

In order to provide a more complete summary of the activity of the OIG during this period, it should be noted that in addition to the investigations discussed above, the OIG also received, from Tollway Management and individuals, various allegations and concerns and conducted investigations into numerous additional matters during this period. Some were completed with no material findings or procedural recommendations and others continue to be under investigation.

During the period of October 1, 2014 to March 19, 2015, the Office of the Inspector General opened five (5) Inspector General (IG) cases and closed two (2) IG cases. There are currently six (6) IG cases open.

There were eighty-three (83) Investigative Assistance (IA) cases opened during that period and eighty (80) IA's closed. No IA cases were converted to an IG investigation. Of the IA cases opened, sixty (60) were responding to a subpoena requesting Tollway information.

The office opened one (1) Preliminary Inquiry (PI) Investigation and two (2) PI investigations were closed. No PI cases were converted to IG investigations.

The IG office received thirty-four (34) complaints from citizens and thirty-four (34) complaints were closed.

The above numbers represent a total number of one hundred twenty-three (123) cases opened and a total of one hundred-eighteen (118) cases closed for a total of two hundred forty-one (241) cases handled during this time period.

There were seven (7) redacted investigative reports posted on the Tollway website for public review during this six month period and additional ones will be posted when appropriate.

