Public Building Commission of Chicago

OFFICE OF THE INSPECTOR GENERAL

Public Building Commission of Chicago

QUARTERLY REPORT

FOURTH QUARTER 2013

January 23, 2014

Table of Contents

A. Overview 1
B. New Investigations 2
C. Closed Investigations 2
D. Ongoing Investigations 2
E. Program Management 3

A. Overview

This report provides an overview of the operations of the Office of the Inspector General ("OIG") of the Public Building Commission ("PBC") from October 1, 2013 through December 31, 2013. This report includes statistical and narrative descriptions of the activity of the OIG, as required by the Public Building Commission of Chicago ("PBCC") *Inspector General Function Policies and Procedures.*

Two investigations were completed this quarter. Final reports of investigation were delivered to the Audit Committee of the PBC in conjunction with a presentation of findings. One new investigation was opened in the fourth quarter after a referral from the Inspector General of the Chicago Board of Education.

B. New Investigations

PBC- 11-2013.10

The investigation of a minority-owned electrical contractor was opened subsequent to a referral form sister agency, Chicago Public Schools.

A request for documents has been issued and the OIG is currently awaiting response from the contractor.

C. Closed Investigations

PBC-1-2012.11

The investigation of a Prime Contractor and minority-owned supplier of mechanical, electrical, and plumbing supplies has concluded.

The OIG delivered the final investigation report to the Audit Committee for final acceptance during fourth quarter.

PBC-2-2012.11

The investigation of a Prime Contractor and minority-owned supplier of construction materials has concluded.

The OIG delivered the final investigation report to the Audit Committee for final acceptance during fourth quarter.

D. Ongoing Investigations

There are currently six ongoing investigations involving fraud within the MBE/WBE Program. Two of the ongoing interviews are in their final stages of report preparation. The remaining investigations are in the fact-finding stage.

PBC-3-2012.12

The OIG's investigation of a woman-owned supplier of construction materials in a 2010 PBC project is ongoing.

PBC-6-2012.12

The OIG's investigation of a minority-owned subcontractor joint-venture member providing masonry services for a 2010 PBC project is ongoing.

PBC-7-2012.12

The OIG's investigation of a minority-owned subcontractor performing demolition services for a 2010 PBC project is ongoing.

PBC-8-2012.12

The OIG's investigation of a woman-owned supplier of construction materials in a 2010 PBC project is ongoing.

PBC-9-2013.12

The OIG's investigation of a woman-owned supplier of electrical supplies for a 2009 PBC Project in February 2013 is ongoing.

PBC-10-2013.3

The OIG's investigation of improper payments practices by a minority-owned subcontractor performing security services for a 2010 PBC project is expected to commence at the issuance of a request for documents.

E. Program Management

MBE/WBE Program

Throughout the fourth quarter, the OIG worked diligently to close investigations containing allegations regarding the pass-through activity within the MBE/WBE Program. The OIG continues to work with the PBC to support the program and assist it in achieving its primary goal of inclusion of disadvantaged businesses in the Commission's construction program.