

2007 ANNUAL REPORT

Update for Chicago Transit Board

February 13, 2008



OIG Mission Statement

The mission of the Office of Inspector General is to promote and ensure economy, efficiency, effectiveness, and integrity in the administration of the programs and operations of the CTA.

2007 Amendments to OIG Ordinance

- OIG Ordinance amended by Chicago Transit Board in July. (007-064)
- Clarifies duties and responsibilities of OIG.
- Mandates CTA employees to report suspected wrongdoing to OIG or face possible disciplinary action.



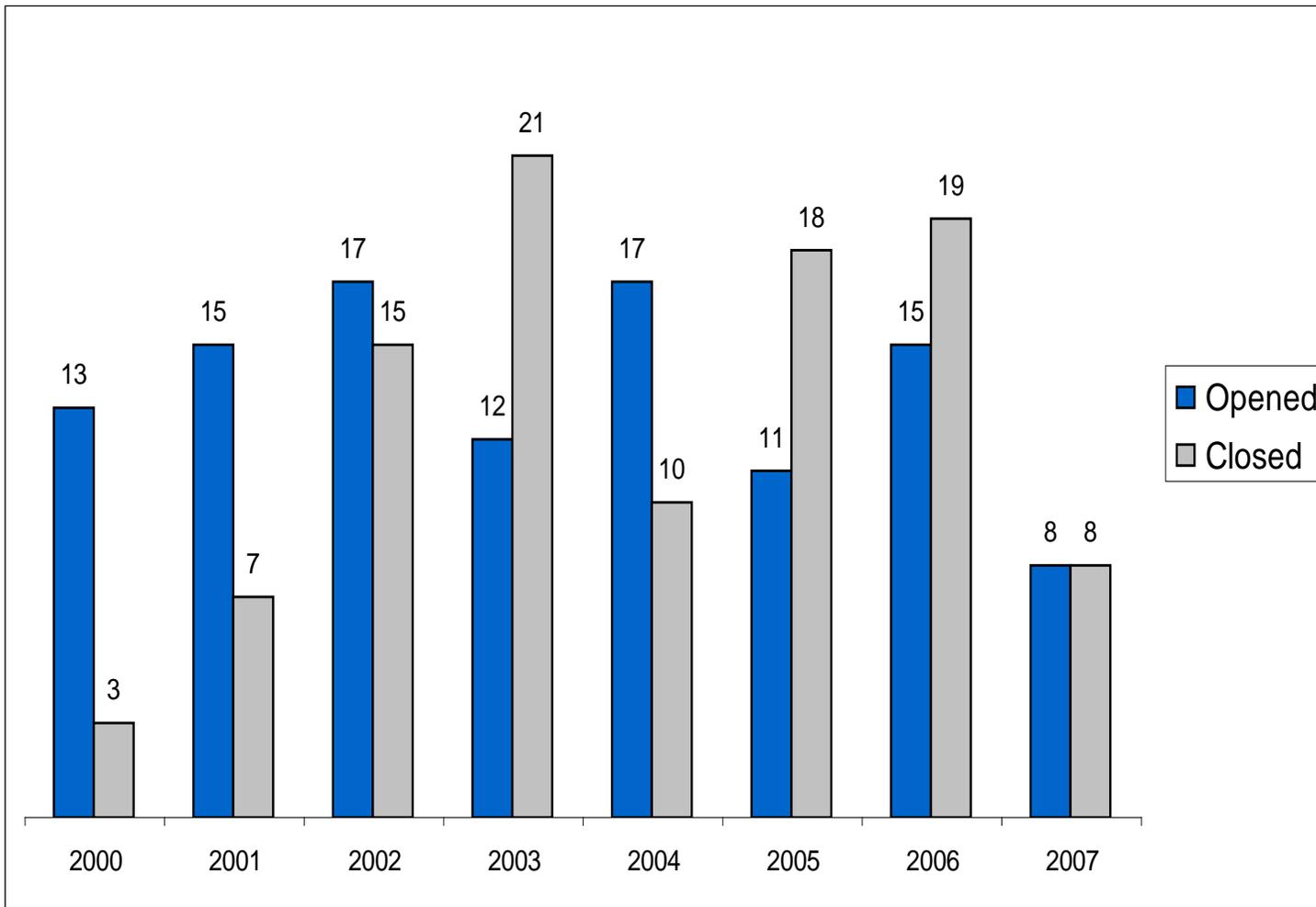
Audit Highlights



2007 Annual Report Presentation

- 8 Audits Completed
- 10 Audits Pending
- Areas reviewed included: bus and rail cleanliness, construction projects, Workers Compensation, payroll functions, and fare media.

Audits/Initiatives 2000-2007



Investigation Highlights



Bribery Case – August, 2007

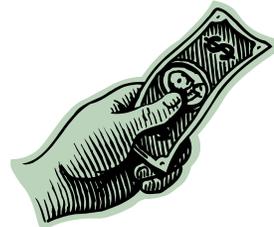
CTA Employee
Notifies OIG of
“Offer” By Vendor



Undercover
Investigator Meets
With Vendors



Vendors Give
Investigator \$15,000
Cash For Preferential
Treatment On Contract



Vendors Arrested
And Charged
With Bribery



Identity Theft – October, 2007

Reports Of
Possible Credit
Card Fraud



Cross-Referenced
Transactions Identified
Common Denominator: CTA
Employee Miranda Smith



Notified CPD-
Began Joint
Investigation



Smith
Arrested

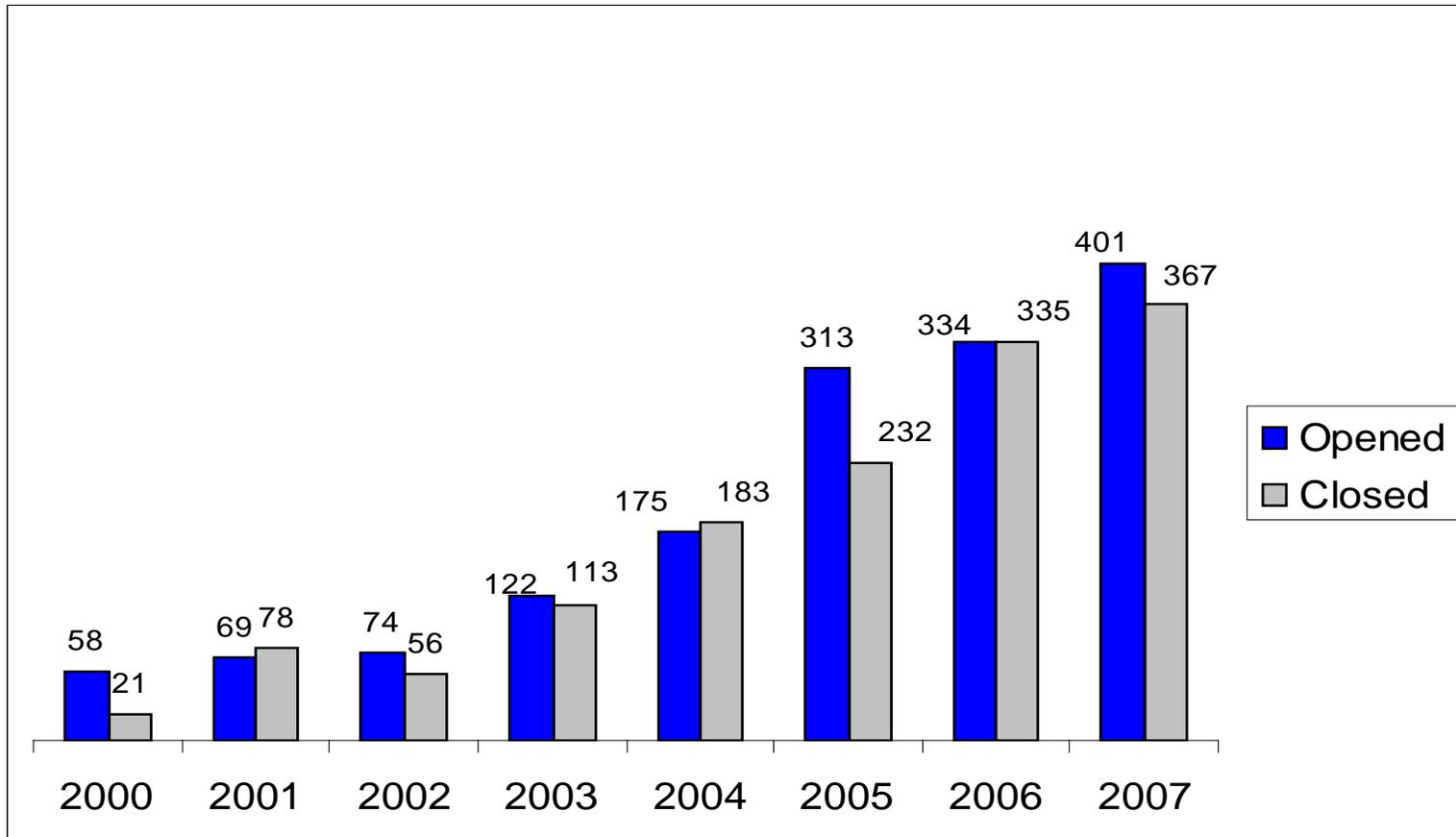


Absence Management

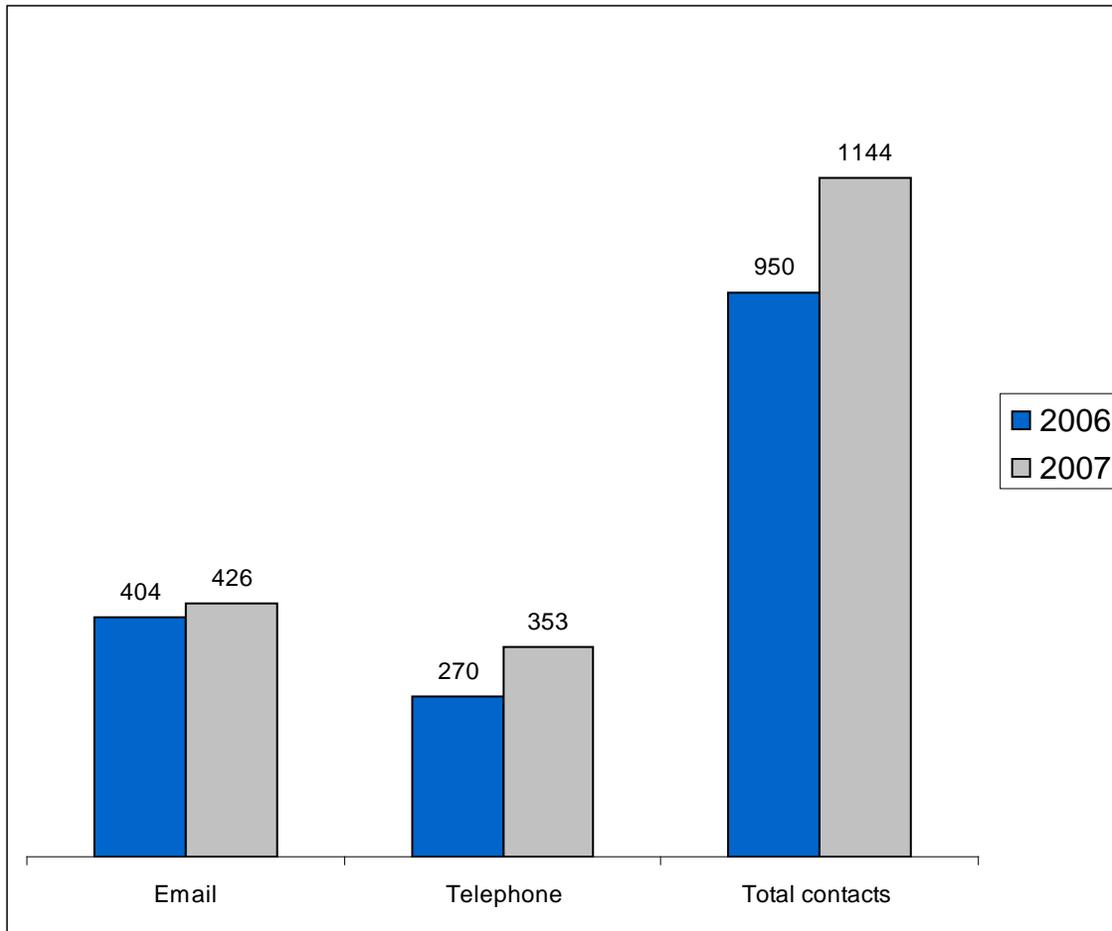
- Partnership with CTA Management and Sedgwick began in Fall 2007
- Generated over 110 OIG and administrative reviews
- 83 investigations completed
- 10 employees referred for discipline-4 discharged-6 disciplinary actions pending



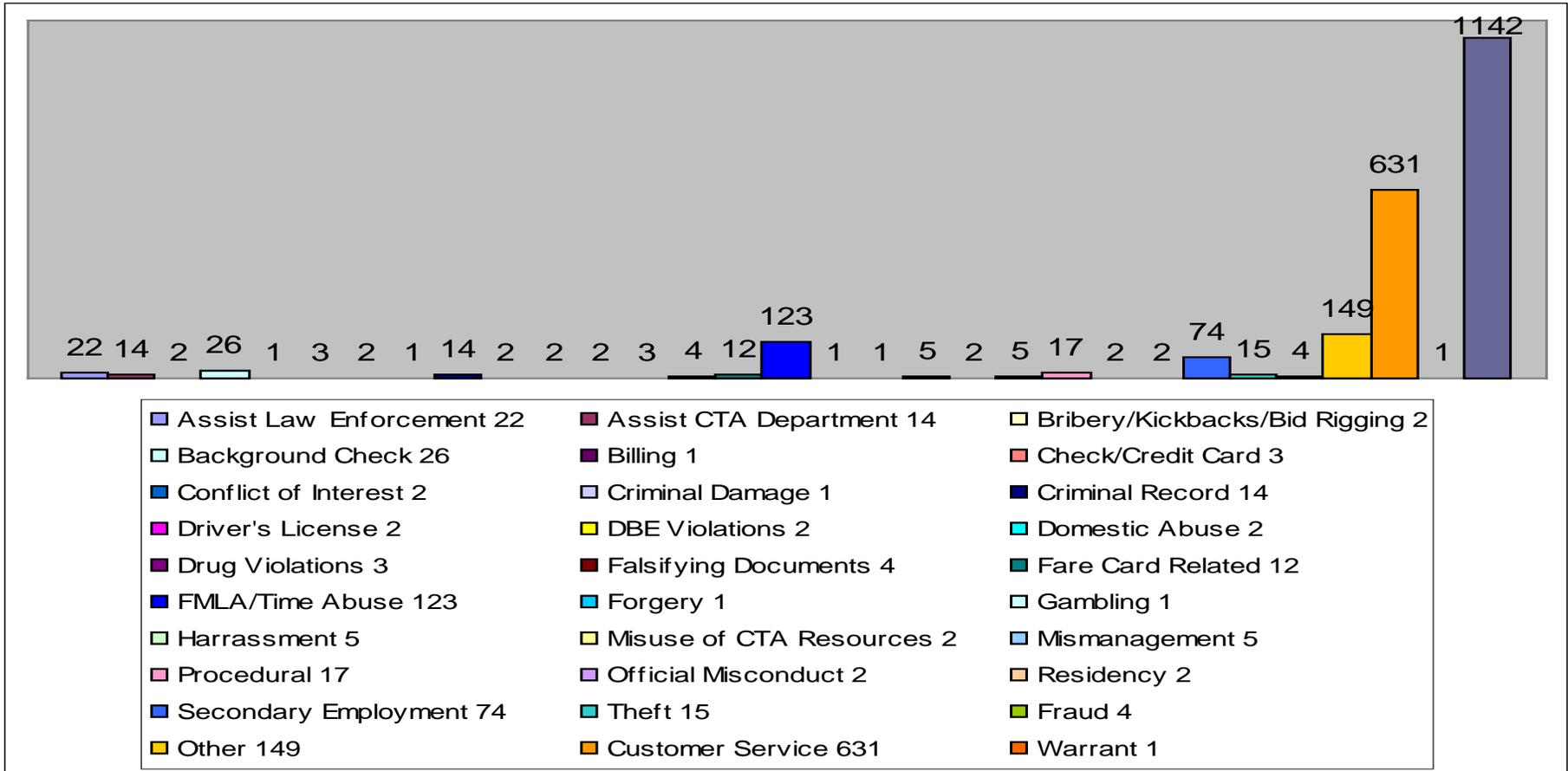
Investigations 2000-2007



Hotline Contacts-2006 and 2007



Hotline-Nature of Allegations



OIG Budget

2007 Budget

Salaries	\$2,106,109
Expenses	\$ 71,963
	=====
	\$2,178,072

2007 Actual

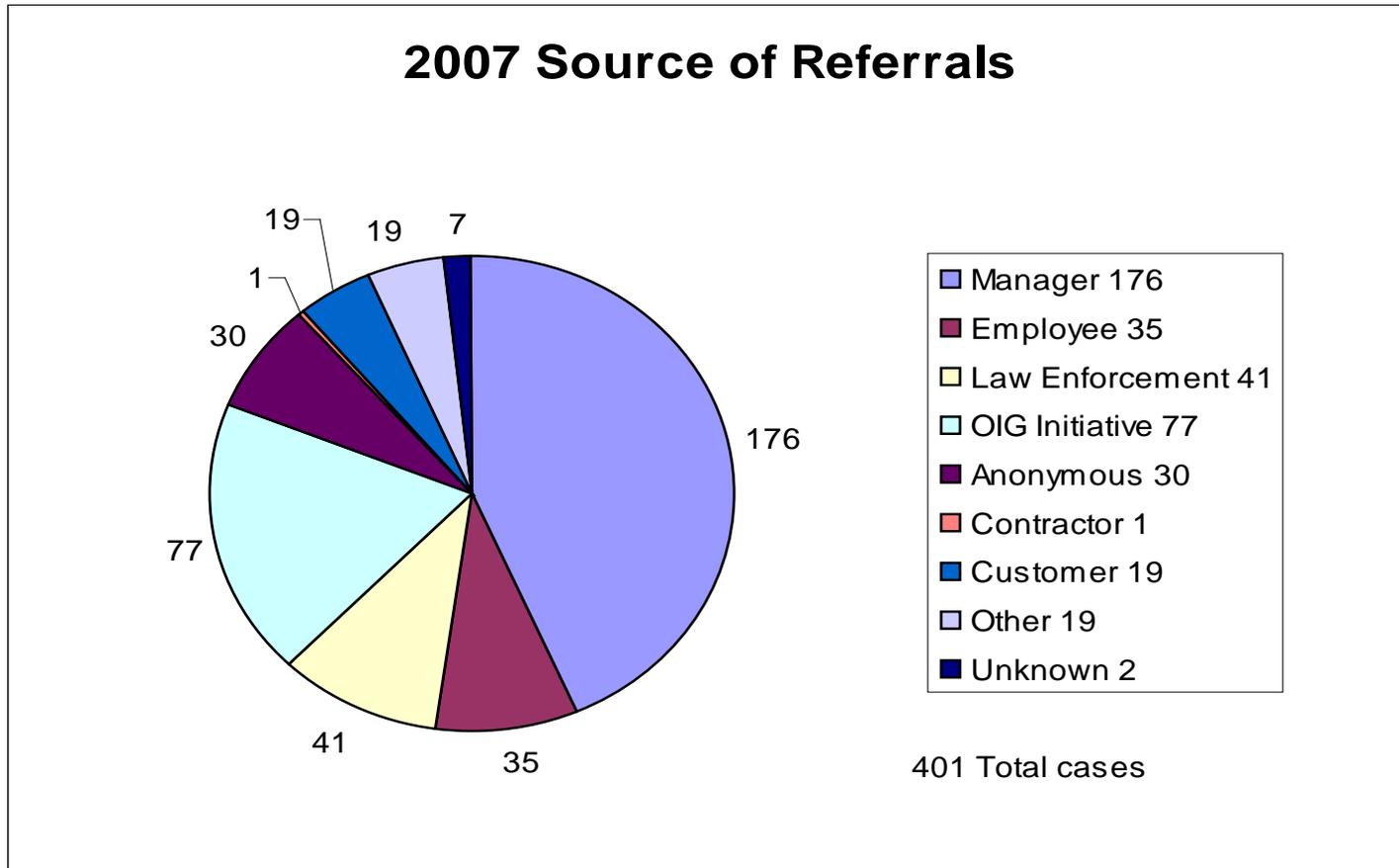
Salaries	\$1,756,326
Expenses	\$ 93,693*
	=====
	\$1,850,019

Positive Variance: \$ 328,053

*Purchased Audit Management Software System



Source of Referrals



Look Ahead for 2008

- External Peer Review of Audit Function
- Increasing Professional Certifications Among Staff
- Implementation of Audit Management Software

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