



**OFFICE OF THE INSPECTOR
GENERAL CHARTER
OF THE BOARD OF
COMMISSIONERS
OF THE
CHICAGO HOUSING
AUTHORITY**

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**Angela Hurlock, Chairperson
Matthew Brewer, Vice Chairman**

1. Staffing and Resources

The Office of Inspector General (“OIG”) is established as a department of the Chicago Housing Authority, and shall be managed by the Inspector General, who shall be appointed to a four-year term by a majority of the Board of Commissioners of the Authority (the “Board”) and who may be removed from his or her position prior to the expiration of his or her term only for cause by a majority vote of the Board. The Inspector General is responsible for managing the OIG, which shall include the oversight and supervision of assistants, investigators, auditors and such other employees as deemed necessary to carry out the business of the OIG. Said assistants, investigators, auditors and other individuals shall be employees or contractors of the Authority, hired in conformance with, and subject to, the provisions generally applicable to Authority employees or contractors, and/or other personnel as detailed from other agencies. Political considerations shall play no role in the hiring, retention or dismissal of said employees or contractors.

The Inspector General shall establish the organizational structure appropriate to carry out the responsibilities and functions of the OIG within the budget resources provided by the Finance and Audit Committee. The Inspector General shall additionally establish, document and maintain criteria to be used when addressing OIG staffing needs and candidates for OIG positions, including hiring, management and retention. Any request for additional staff that is not budgeted will be presented to the Chief Executive Officer (CEO), who shall present such request(s) to CHA management only after the Chairperson and Chair of the Finance and Audit Committee jointly approve such request.

The Inspector General shall complete annual evaluations of the employees and, based upon the evaluations, at the Inspector General’s discretion, may recommend to the Finance and Audit Committee, that certain individual employees under his or her oversight be promoted, removed, suspended for disciplinary purposes, or re-assigned as appropriate for the efficient administration of the OIG. Subject to the standards, procedures and other terms and conditions applicable to CHA employees, the Inspector General is authorized to initiate and undertake a salary increase for designated OIG personnel in its reasonable discretion, provided that such salary increase is related to a duly-approved promotion of such OIG personnel, and provided that the financial impact of such salary increase does not cause the current year’s budget allocation for the Office of Inspector General to be exceeded as a result.

The OIG employees shall comply with the Authority’s *OIG Administrative and Procedural Policies* and the *OIG’s Standards of Conduct*, which provide operational guidelines and policies aligned with the Inspector General Charter, the national Principles and Standards for Offices of the Inspector General (Green Book), and enhanced standards of conduct to supplement the Authority’s Ethics Policy, the Employee Handbook, and all other relevant Authority-wide policies. Any and all such internal management, practices, policies, guidelines, procedures or equivalent activities and standards applicable to the OIG or the IG shall remain subject to and consistent with CHA bylaws, practices, Rules and policies governing CHA employees, officers, contractors and staff.

In order to ensure that the OIG has sufficient resources for efficient and effective administration of the OIG’s responsibilities and functions, the Finance and Audit Committee of the Board

(“Finance and Audit Committee”) shall ensure that the OIG has an annual budget sufficient to meet the needs of the OIG, in terms of both employees and resources.

Notwithstanding the foregoing, no rule(s), regulation(s), policies or official practices of the OIG (including the *OIG’s Administrative and Procedural Policies* and the *OIG’s Standards of Conduct*, or any Board-approved equivalent) shall be or become effective until such time as a written draft of such matter has been prepared by the Inspector General and the Chief Legal Officer with their joint recommendation and submitted to the Board for its formal review, consideration and potential adoption. No action shall be deemed to be taken or effective until adopted and memorialized in writing by formal affirmative vote by a majority of the Finance and Audit Committee following written submission of such proposed action(s) by the Inspector General, which submission shall require the formal written concurrence and recommendation of the CEO to the Finance and Audit Committee.

Notwithstanding the foregoing procedural requirements for the promulgation and adoption of any OIG rules, regulations or policies, all powers to effect matters relating to the hiring or termination of any OIG staff member shall remain vested in the Board of Commissioners. Furthermore, consistent with the Board’s reservation of any and all statutory police powers to itself (see below), and with prevailing practices in adopting Board Resolutions, all prior Rules, Regulations or Policies of the IG or OIG are rescinded in full, including, without limitation any rules, policies or practices purporting to rely upon any police powers, law enforcement powers or other similar powers not expressly and specifically delegated to the OIG by the Board.

2. Powers and Duties

All enumerated and extended powers of a public housing authority under Illinois law (including without limitation, those powers established pursuant to Illinois Housing Authorities Act (310 ILCS 10/1, *et seq.*, hereinafter the “HAA” or the “Act”)) are fully vested in the Board of Commissioners as a duly-organized and -operating Illinois Housing Authority. The CHA’s Inspector General and its OIG derive any and all of their respective powers, duties and responsibilities from the Board as defined, provided or limited from the Board’s express delegation, designation or equivalent assignment(s) of powers or duties effected through duly-authorized Resolution(s) of the Board.

Any powers or duties granted by the Board to the Inspector General or the OIG are extensions of, and not in derogation or limitation of, the Board’s own powers at law and under its Rules. The Board’s designation or delegation of any powers and duties to the Inspector General or the OIG are expressly limited and made “in part”, and the Board reserves and retains in full all rights vested or created at law and under its Rules. Furthermore, no powers or duties of the Inspector General or the OIG shall exist in excess of or beyond those expressly and explicitly created by Resolution(s) of the Board, and no additional powers, rights or duties in the Inspector General or the OIG shall be conferred, implied or inferred.

Pursuant to the Act, the Board of Commissioners reserves to itself any and all rights to exercise any police power(s) created or available at law or under regulation, and no delegation of any police

power(s), or of any similar powers of law enforcement, to any CHA officer, director, department, staff or employee is made or implied. In furtherance of the foregoing sentence, to the extent that any current or past policy, practice, regulation or other action or activity of the Inspector General or the OIG relies upon or purports to rely upon or exercise any statutory police power(s) or any similar or equivalent claim(s) of law enforcement powers under the Act, such rules, policies, procedures and activities are hereby rescinded in full and shall be of no effect.

In addition to other powers conferred herein, the Inspector General shall have the following powers and duties:

- a) Cooperate with the Authority's auditors to promote economy, efficiency, effectiveness and integrity in the administration of programs and operations of the Authority by, at the request of the Finance and Audit Committee, reviewing programs; identifying any inefficiencies, waste and potential for misconduct therein; and recommending policies and methods for the elimination of inefficiencies and waste, as well as for the prevention of misconduct.
- b) Cooperate with the Ethics Officer. If the matter involves subject matters enumerated herein, the Inspector General shall have the jurisdiction to investigate the allegation.
- c) Receive, register and investigate complaints and information from any source pertaining to: waste, fraud and abuse within the Authority; misconduct of contractors, vendors, subcontractors, consultants, agents or licensees in relation to such persons' services to or relationships with the Authority; fraud or collusion involving Authority contracts and/or contractors, vendors, subcontractors, consultants, agents or licensees; misuse, embezzlement or theft of Authority resources; conflicts of interest, bribery or misconduct involving Authority personnel; or other unethical or illegal activities involving Authority property, officers, employees, Board members, contractors, vendors, subcontractors, consultants, agents or licensees.
- d) Request and receive information related to an investigation from officers, employees, Board members, contractors, vendors, subcontractors, consultants, agents and licensees of the Authority and conduct interviews.
- e) Maintain the confidentiality of complainants' identities, unless explicit consent of disclosure is granted by a complainant, disclosure is otherwise required by law, or in the event of significant risk to the Authority.
- f) Investigate and review the conduct of the Authority's officers, employees, Board members, contractors, vendors, subcontractors, consultants, agents and licensees; review the Authority's policies, procedures, functions and programs, either in response to a complaint or on the Inspector General's own initiative, in order to detect and prevent waste, fraud and abuse.
- g) The Inspector General is hereby authorized by the Board to issue subpoenas to compel the attendance of witnesses for purposes of examination and the production of documents and other items for inspection and/or duplication when requested by the Inspector General to support OIG investigations.
- h) Report the results of investigations to the Finance and Audit Committee undertaken by the OIG at regular schedules or intervals defined herein, and otherwise promptly report the results of investigations to the Board upon formal request of the Board [and/or the Chief

Executive Officer], which request may be issued in writing to the Inspector General through the Finance and Audit Committee And

- i) Make available and submit to the Board or the Finance and Audit Committee any file(s) or report(s) of any investigations or reviews that are complete and sustained, including the contents, status or conclusions thereof, upon written request of the Finance and Audit Committee or the Board, the response(s) to such written request(s) shall be delivered by the Inspector General to the Finance and Audit Committee not later than forty-five (45) days of the delivery of such written request to the OIG or IG.

3. Reporting

The Inspector General shall be independent from the Authority's executive management, specifically, the Chief Executive Officer and other appointed officers (hereinafter the "Executive Management"). The Inspector General and the OIG derive any and all of their respective powers, duties and responsibilities from the Board's delegation, designation or equivalent assignment of powers vested in the Board of Commissioners under Illinois law, and to that extent both the Inspector General and the OIG remain subject to the oversight and direction of the Board in its exercise of statutory powers under law and Resolution(s), and thereby remain responsible to and reportable to the Board of Commissioners. In furtherance of, and not in limitation of, the foregoing, the Inspector General shall regularly report the OIG's sustained investigative activities to the Finance and Audit Committee on a regular basis (as determined by the Finance and Audit Committee). Provided, however, that in the event of any significant OIG investigative activity, including, by way of example, and not in limitation thereof, the OIG's investigation of claims or allegations of material impropriety by members of the Authority's Executive Management or other Authority personnel, staff, vendors or agents (hereinafter "Significant OIG Activities"), the Inspector General shall report any event or matter of Significant OIG Activities to the Chairperson and the Vice Chairperson within seven (7) business days of the event of such Significant OIG Activities. In the event of alleged misconduct that poses high operational risk to CHA, the OIG shall notify the Chairperson and the Vice-Chairperson, and the Chairperson and the Vice-Chairperson shall not disclose such information of alleged misconduct and shall not prevent or impede said investigation.

From time to time, as needed or as requested by the Board Chairperson, the Inspector General shall brief the full Board of Significant OIG Activities. Furthermore, the Board Chairperson and the Vice-Chairperson of the Board may from time to time jointly request that the Inspector General provide a verbal/virtual briefing to the Chairperson and the Vice-Chairperson on Significant OIG Activities. The Inspector General shall provide such verbal/virtual briefing(s) to the Chairperson and Vice-Chairperson not later than three (3) days from their joint request for a verbal/virtual briefing. Neither the Board nor Authority's Executive Management shall prevent, impair or prohibit the Inspector General from initiating, carrying out or completing any investigations, audits or reviews.

4. Scope

The powers and duties of the Inspector General shall extend, except as otherwise limited in this Section, to the conduct of the following:

- a) All officers of the Authority in the performance of their official duties;
- b) All employees of the Authority in the performance of their duties;
- c) Members of the Board in the performance of their official duties;
- d) All agents acting on behalf of the Authority; and
- e) All contractors, vendors, subcontractors, consultants, licensees and their respective employees, providing, or seeking to provide goods or services to the Authority pursuant to a contract with the Authority.
- f) In the event of an allegation against a Finance and Audit Committee Member, the Inspector General shall notify and confer with the Finance and Audit Committee Chairperson and the Chief Legal Officer to determine whether the Inspector General shall handle the matter, or whether, in the interests of avoiding any potential conflict of interest, an independent firm should be retained to evaluate the allegation and conduct an investigation if the independent firm deems it warranted.
- g) In the event of an allegation against the Finance and Audit Committee Chairperson, the Inspector General shall notify and confer with the Chairperson of the Board and the Chief Legal Officer to determine whether the Inspector General shall handle the matter, or whether, in the interests of avoiding any potential conflict of interest, an independent firm should be retained to evaluate the allegation and conduct an investigation if the independent firm deems it warranted.
- h) In the event of an allegation against the Chairperson of the Board, the Inspector General shall notify and confer with the Vice-Chairperson and the Chief Legal Officer to determine whether the Inspector General shall handle the matter, or whether, in the interests of avoiding any potential conflict of interest, an independent firm should be retained to evaluate the allegation and conduct an investigation if the independent firm deems it warranted.
- i) In the event of an allegation against any members of the OIG, the Chief Legal Officer shall notify the Chairperson and retain an independent firm to evaluate the allegation and conduct an investigation if the independent firm deems it warranted.
- j) Any referral or retention of an independent firm to conduct an evaluation, review or investigation pursuant to the provisions and conditions of the foregoing subsections (f) – (i) shall be effected through an engagement of such independent firm by the CHA’s legal department.

5. Duty to Cooperate

All Authority employees, officers, Board members, contractors, vendors, subcontractors, consultants, agents, licensees and their respective employees, conducting business for or on behalf of the Authority, have a duty to cooperate with the OIG in any and all inquiries undertaken by the OIG pursuant to the OIG Charter; and each department’s premises associated with the Authority or doing business with the Authority shall be made available, as soon as practicable, all documents requested by the OIG including but not limited to equipment, personnel, books, records (in any form) and paper, as deemed relevant by the OIG.

Any employee who refuses to cooperate with the OIG in any and all inquiries pursuant to the OIG Charter maybe be subject to disciplinary action up to and including termination. Any third party

conducting business with the Authority or receiving funds and acting on behalf of the Authority who refuses to cooperate with the OIG could result in the cancellation of the existing contract or any other remedy available to the Authority.

6. Duty to Report

It shall be the duty of every employee of the Authority, Board members, contractors, vendors, subcontractors, consultants, agents, licensees and their respective employees to report any fraud, mismanagement, waste of funds or resources, abuse of authority, misconduct, conflicts of interest, ethical violations or other improper act, by another, involving Authority business or the Authority's assets.

Any employee found to have knowledge of such acts and who does not report them as required herein, may be subject to discipline, up to and including termination.

The failure of any contractors, vendors, subcontractors, consultants, agents or licensees and their respective employees found to have knowledge of such acts to affirmatively report such knowledge to the OIG could result in cancellation of the existing contract and disqualification from further transactions with the Authority as deemed appropriate.

7. Reporting Results of Investigations or Reviews

Upon conclusion of an investigation or review, the Inspector General shall issue a regular summary report thereon, a copy of which shall promptly be provided to the Finance and Audit Committee upon conclusion of such investigation or review, but in no event later than thirty (30) days following the completion or conclusion of such investigation or review.

The regular summary report shall not mention the name of any informant, complainant, witness or person investigated or reviewed, unless otherwise authorized by the Finance and Audit Committee. The report shall include the following:

- a) A description of any complaints or other information received by the Inspector General pertinent to the investigation;
- b) A description of any waste, fraud, mismanagement or unethical or illegal activities observed in the course of the investigation;
- c) Recommendations to the CEO for disciplinary, administrative or other action as deemed appropriate; and
- d) Such other information as the Inspector General may deem relevant to the investigation or review and any resulting recommendations.

8. Prohibition of Retaliation

No person shall retaliate against, punish or penalize any other person for complaining to, cooperating with or assisting the Inspector General in the performance of his or her office.

9. Quarterly Report

No later than the fifteenth day of January, April, July and October of each year, the Inspector General shall file with the Finance and Audit Committee a quarterly report, accurate as of the last day of the preceding month, indicating the number of investigations and reviews initiated since the date of the last quarterly report, the number of investigations and reviews concluded since the last quarterly report, and the number of investigations and reviews pending as of the reporting date. The Quarterly and Annual Reports shall not contain any factual information (other than statistical data) pertaining to ongoing investigations.

The quarterly report shall also include the number of investigations and reviews of the conduct of officers, contractors, vendors, subcontractors, consultants, agents and licensees of the Authority. The Quarterly Report shall identify any investigation or review which has not been completed within six months and state the reasons for failure to complete the investigation or review within six months. The Quarterly Report shall include the number of investigations and reviews involving alleged waste, fraud, mismanagement or unethical or illegal activities.

10. Annual Report

No later than the first day of February of each year, the Inspector General shall file with the Finance and Audit Committee an Annual Report, accurate as of the last day of the preceding calendar year, that includes a consolidated version of all information provided in that year's Quarterly Reports, a consolidated version of that year's regular summary reports a description of any actual or potential waste, fraud, mismanagement or unethical or illegal activities within the Authority, recommendations to the Board of policies and methods for the elimination or prevention of such waste, fraud, and abuse, and any additional information which the Inspector General deems appropriate.

11. Confidentiality

All files and reports of the OIG shall be maintained in the OIG as confidential and shall not be divulged to any person or agency, except (a) to appropriate federal, state or local law enforcement authority and other offices of Inspector General, (b) as otherwise provided in this OIG Charter, (c) as otherwise authorized by the Board or its Finance and Audit Committee, (d) as otherwise authorized in public reporting of Quarterly and Annual Reports, or (e) as otherwise required by law.

12. Public Reporting

Except as otherwise provided herein, the Inspector General is authorized to publish the following: (a) Quarterly Reports and (b) Annual Reports as stated herein which will contain the following information in addition to those enumerated in previous sections 9 and 10: (i) if an investigation exonerates a person who is publicly known to have been under investigation, where such person requests such a statement; (ii) a summary of each investigation resulting in a sustained finding of misconduct; and (iii) if an investigation, audit or inspection identifies fraud, waste, abuse or mismanagement.

Additionally, the summary shall briefly state, without disclosing the name of any individual who was the subject of such investigation: (a) the nature of the allegation or complaint; (b) the specific violation resulting in sustained findings; (c) the Inspector General's recommendation for discipline or other corrective measures; and (d) the Authority's response to and final decision on the Inspector General's recommendation.

All criminal investigations that result in a court disposition (plea of guilty, acquittal, or finding of guilty) shall be summarized in the same manner, except for the identity of the subject which shall not be confidential.

13. Effective Date

This *Office of the Inspector General Charter* shall be in full force and effect upon its adoption by resolution of the Board of Commissioners and shall rescind in full and supersede the OIG Charter that was previously approved by the Board on May 19, 2020, in Resolution No. 2020-CHA-37. Furthermore, any prior rules, regulations or policies of the OIG or IG created or maintained in reliance upon Resolution No. 2020-CHA-37 are rescinded in full.