



04/01/21 - 06/30/21

2021 Quarter 2 Report

Office of the Inspector General



CHICAGO HOUSING AUTHORITY
OFFICE OF THE INSPECTOR GENERAL
INSPECTOR GENERAL KATHRYN B. RICHARDS
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OFFICE OF THE INSPECTOR GENERAL

04/01/2021-06/30/2021

July 15, 2021

To Chairperson Hurlock, Vice-Chair Chico, and Distinguished Members of the Finance and Audit Committee:

Enclosed for your review is the 2021 Second Quarter Report on the activities of the Chicago Housing Authority Office of the Inspector General (OIG) from April 1, 2021 through June 30, 2021. Pursuant to the Office of the Inspector General Charter, the report contains statistical data as well as summaries of OIG investigations, audits, and other activities.

New this quarter, the OIG is including additional information and data to provide better insight as to trends and activities of the office. The OIG will add to this data each quarter and continue to identify ways to make the quarterly and annual reports more informative. This was a productive quarter for the office, having published 5 audit reports and closed 8 investigations; with 2 of the investigations closed with criminal convictions and 6 closed as sustained for administrative violations. Additionally, the OIG issued one advisory and one draft audit report to CHA management. Both reports are pending management response and will be included in the next quarterly report.

Just as our society begins to open again to increased interaction and engagement following the worst of the pandemic, the past three months have seen a reinvigoration of the OIG's relationships with our various stakeholders and partners. I and other OIG staff have met with many of our law enforcement partners, including the US Attorneys Office, the Cook County State's Attorney's Office, and Illinois Attorney General's Office; peer agencies such as the HUD OIG and the New York City Housing Authority OIG; and internal stakeholders including the CHA Housing Choice Voucher Enforcement team and the Property and Asset Management Office. Together with our partners, the CHA OIG works to ensure integrity in the administration of housing assistance, to ensure benefits reach those who need it the most, and to seek restitution of CHA funds wrongly obtained through fraud or misrepresentation.

The OIG is proud to highlight the following significant accomplishments of this quarter:

- Recovery of more than \$42,000 in restitution from two criminal convictions entered this quarter as a result of tenant and landlord fraud in the HCV program.

- Entry of a settlement agreement in *Cabrini Green Local Advisory Council v. The CHA et al.*, designed to address significant mismanagement within the Cabrini Green Community Development Corporation, revealed by an extensive OIG investigation.
- Completion of a first-ever OIG audit risk assessment with the CHA CEO and executive leadership team, which obtained valuable feedback on the work of OIG and identified areas for potential audit or review.

Finally, the OIG continually strives for internal improvement. To that end, in the coming months, the office will be developing additional methods of communication and outreach to better educate and inform CHA stakeholders on the role and purpose of the OIG. We welcome your feedback and input. Please feel free to reach out directly at krichards@thecha.org.

Respectfully submitted,

A handwritten signature in blue ink that reads "Kathryn Richards". The signature is fluid and cursive, with the first name "Kathryn" and last name "Richards" clearly legible.

Kathryn B. Richards
Inspector General

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Mission of the OIG

The OIG is an independent oversight agency whose mission is to promote economy, efficiency, and integrity in the administration of programs and operations of the Chicago Housing Authority (CHA).

The OIG achieves this mission through:

- Criminal Investigations
- Administrative Investigations
- Investigative Support to Partner Agencies
- Performance Audits
- Program Reviews
- Analytics
- Advisories
- Training
- Communications and Outreach

The OIG partners with law enforcement agencies to pursue criminal prosecutions where appropriate. In administrative matters, the OIG issues reports of findings and recommendations to ensure that CHA officers, the Board of Commissioners, employees, and vendors are held accountable for running an efficient, cost-effective operation. Through audits, reviews, and analytics, the OIG seeks to prevent, detect, expose, and eliminate waste, inefficiency, misconduct, fraud, and abuse in CHA's programs and operations. Finally, through training, communications, and outreach, the OIG seeks to raise awareness of common indicators of fraud or other misconduct, and to provide multiple avenues for reporting such concerns and issues to ensure the CHA remains responsive and accountable to its stakeholders.

Ultimately, the OIG seeks to ensure the CHA is best equipped to serve its overarching mission to "leverage the power of affordable, decent, safe, and stable housing to help communities thrive and low-income families increase their potential for long-term economic success and a sustained high quality of life."



Investigations and Audit and Program Review Standards

The OIG conducts investigations in accordance with the *Association of Inspectors General Principles and Standards for Offices of Inspectors General*, generally accepted principles, quality standards and best practices applicable to federal, state, and local offices of inspectors general. These include both general standards and qualitative standards as outlined in the above publication. Additionally, the OIG always exercises due professional care and independent, impartial judgment in conducting investigations and the issuance of reports and recommendations.

The OIG conducts audits of programs in accordance with *Generally Accepted Government Auditing Standards* issued by the Comptroller General of the United States and *Principles and Standards for the Offices of Inspector General*. Those standards require that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives.

The adherence to these standards ensures that audits and program reviews comprise the requisite independence, planning, staff qualifications, direction and control, confidentiality, and quality assurance. Every three years, the OIG submits to an independent peer review conducted by members of the national Association of Inspectors General (AIG) to ensure compliance with these governing standards.

The OIG has been found to meet all relevant standards in each period reviewed.

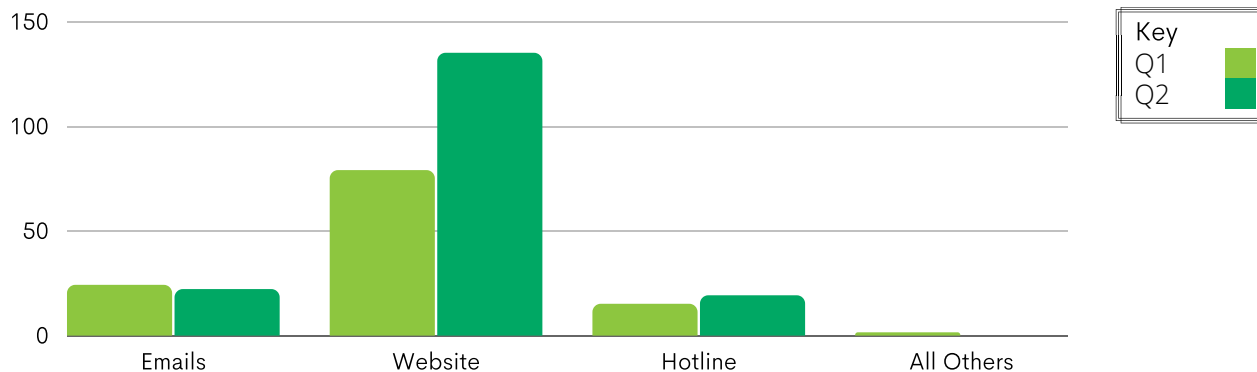
Complaints

The OIG accepts complaints through its online web portal, by email, telephone hotline, employee complaint drop boxes, and in-person reports. Complainants may choose to remain anonymous. The OIG initiates investigations, reviews, and audits in response to complaints or concerns it receives or upon the OIG's initiative. Following a preliminary review and assessment of the complaint, OIG staff make a determination on whether to open an investigation or other matter. Matters may be declined for a variety of reasons including but not limited to: insufficient information, lack of jurisdiction, or no violation presented.

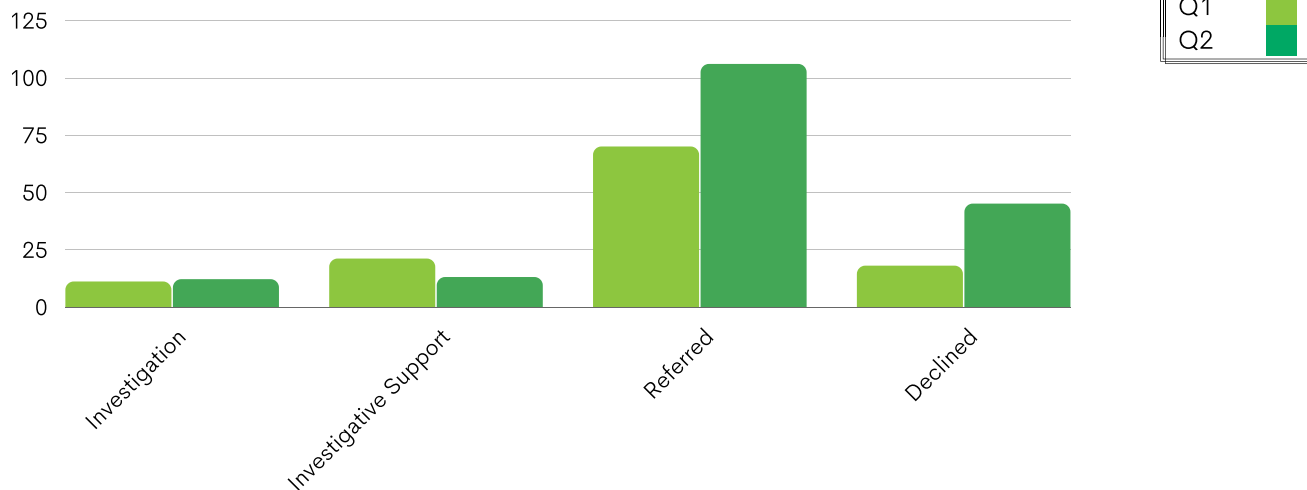
The OIG received 176 complaints in the second quarter of 2021. Of those complaints, the OIG opened 12 for investigation, referred 106 complaints to various relevant CHA departments; provided investigative support to internal and external stakeholders in response to 13 complaints, and declined 45 complaints.

Below are a series of tables showing statistical information on the OIG complaints for the first and second quarters of 2021.

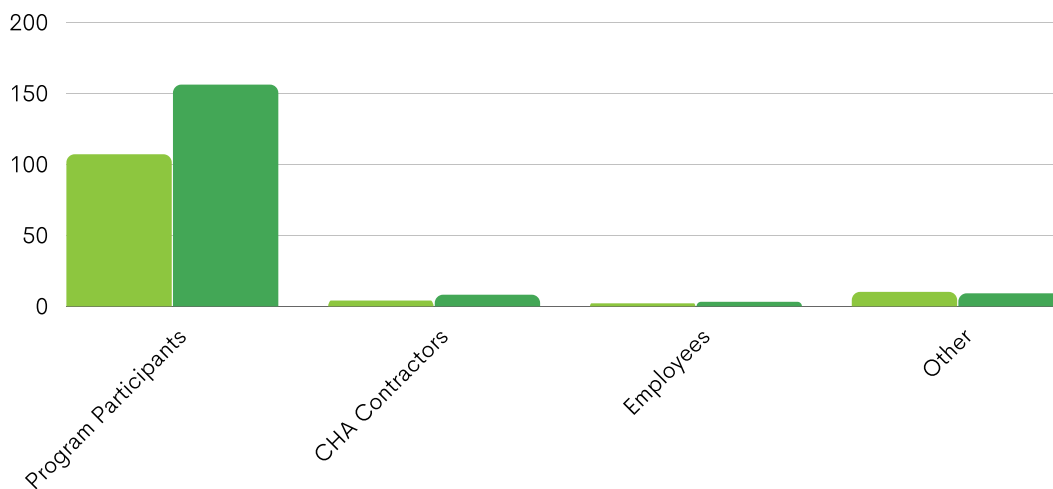
Complaints by Method



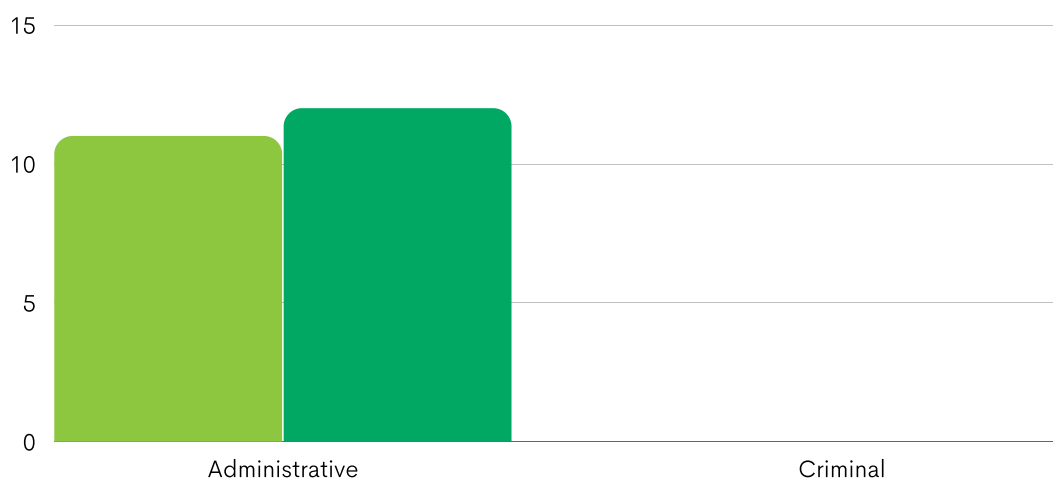
Complaints by Disposition



Subjects of Complaints



Classification of Complaints Opened as Investigations



Investigations

An OIG investigation may be administrative, criminal, or both. Administrative investigations generally involve violations of HUD regulations and/or CHA rules, policies, or procedures. For sustained administrative investigations, the OIG produces a summary report of investigation with findings and recommendations for appropriate disciplinary, administrative, or other action to the CEO and the impacted department. The OIG requests a response from management and will report that response in each quarterly report.

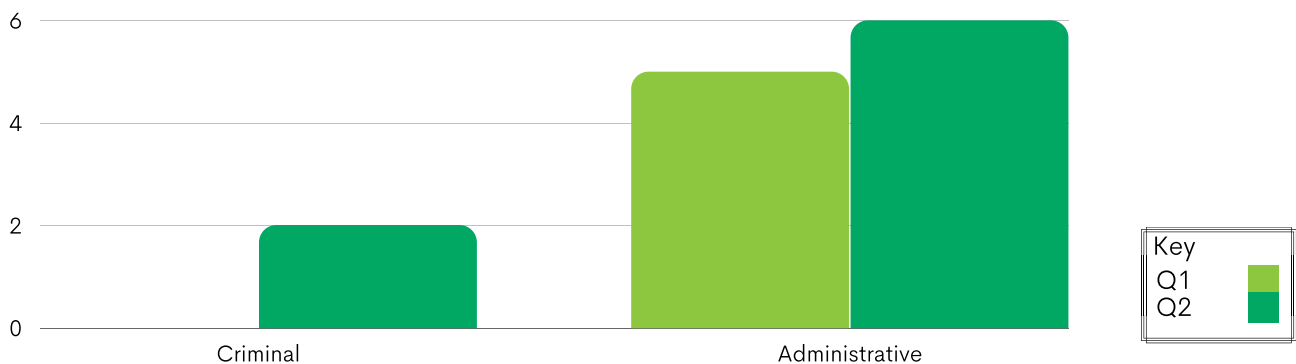
Within 30 days of the conclusion of a sustained investigation, the OIG provides the Audit Committee a de-identified summary report detailing relevant information of the investigation.

In criminal investigations, if there is sufficient evidence gathered for potential prosecution, the investigation will be presented to a prosecuting agency for review. Investigations that result in criminal charges are reported to CHA management and the Audit Committee.

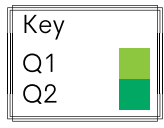
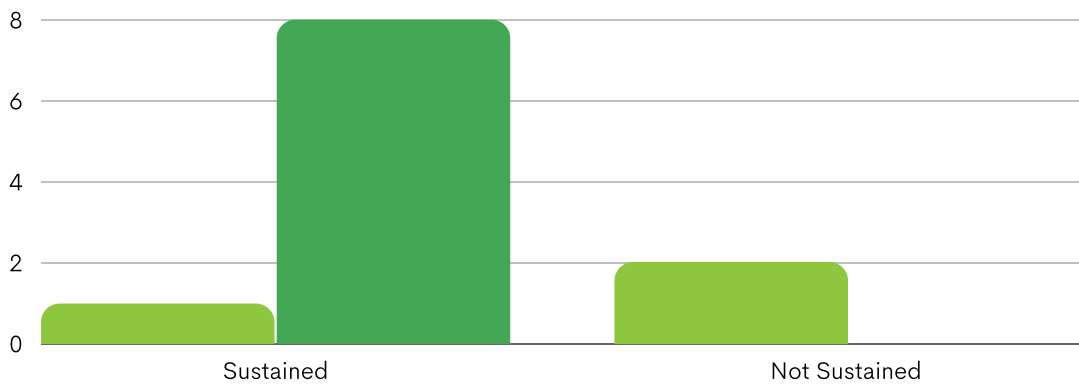
Investigations Closed During the Quarter

In the second quarter of 2021, the OIG closed 8 investigations. Of those cases, 6 were administrative and 2 criminal. The 2 criminal matters were closed sustained with criminal convictions, sentencing, and restitution orders; both are summarized below. The 6 administrative investigations were sustained for misconduct or program violations.

Closed Criminal and Administrative Cases

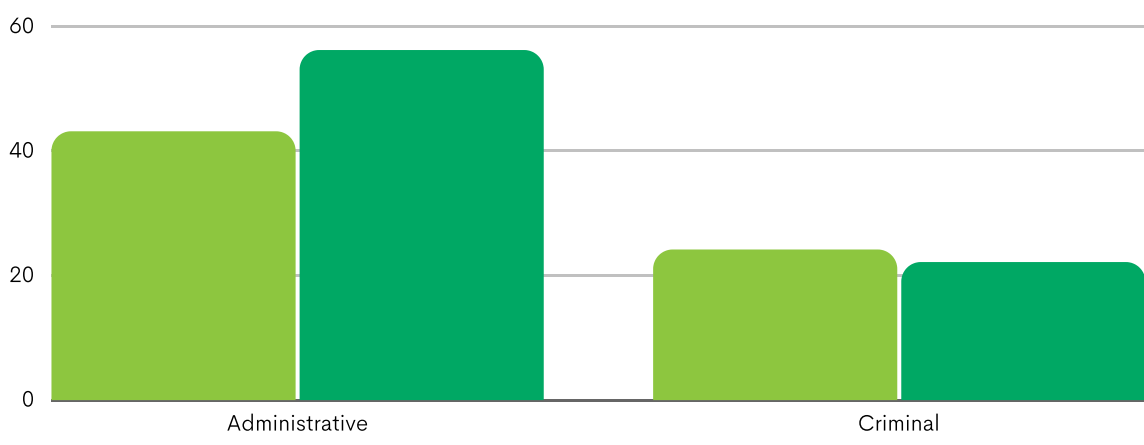


Closed Sustained and Not Sustained Cases



Pending Criminal and Administrative Investigations

At the close of the second quarter, the OIG had 78 pending investigations, up from 67 in the first quarter.



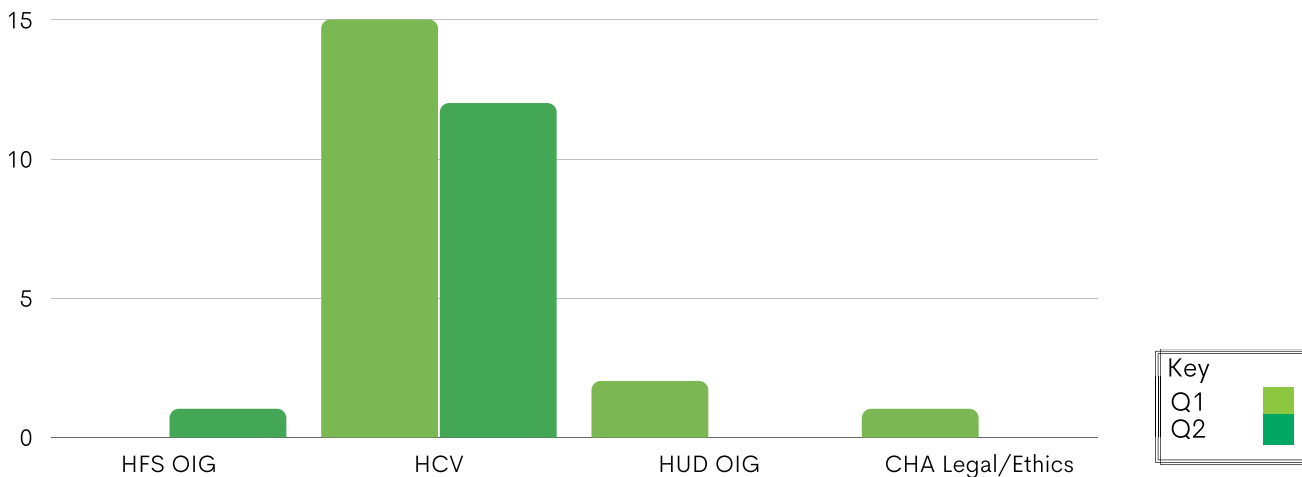
Investigations Not Concluded Within Six Months

Under the Office of the Inspector General Charter, the OIG must provide statistical data on pending investigations/matters open for more than six months. Of the 78 pending investigations, 56 have been open for at least six months. The following table shows the reasons why these matters remain open.

Reasons	Number of Investigations
Complex investigations, generally involve difficult issues of multiple subjects and/or under review by prosecuting agency	49
Indicted cases, but no criminal disposition	7
On-hold, to not interfere with another on-going investigation	0
Total	56

Investigative Support

The OIG regularly receives requests from various external and internal partners for investigative support on matters within the OIG's jurisdiction. These requests often take the form of discrete requests for information, due diligence, or data analysis. In the second quarter of 2021, the OIG provided investigative support in response to 13 complaints; 12 to the CHA HCV department, and 1 to the Illinois Department of Healthcare and Family Services OIG.



Indictments

The OIG recorded no new criminal indictments stemming from an OIG investigation during the last quarter.

Notable Developments in Criminal Cases

OIG # 2016-06-00016 *People v. Runsewe* – Guilty Plea and \$27,022 Restitution

As previously reported in prior quarterly reports, an OIG investigation found that Olumide Runsewe had fraudulently obtained a Housing Choice Voucher (HCV) from the CHA. Runsewe was indicted in October 2017 by a Cook County Grand Jury on two felony counts of theft and two felony counts of forgery. The indictment alleged that between December 2013 and April 2017, Runsewe failed to disclose income, failed to notify the CHA of changes in household dependents and failed to notify the CHA of his marriage in 2014 as well as his spouse's income. It was further alleged that Runsewe presented a false document to the CHA that was purportedly from the United States Post Office as well as a false document that was purportedly a court order signed by the Honorable Judge Cheryl D. Cesario (Judge Cesario retired prior to the date of the court order).

In an interview with OIG investigators, Runsewe admitted to falsely claiming he was not married. He also admitted to submitting fraudulent documents and to signing a Zero-Income Affidavit despite being employed by the US Postal Service as a letter carrier.

The OIG investigation determined that from January 1, 2014 through December 31, 2016, Runsewe fraudulently received housing benefits from the CHA totaling \$27,021.

On April 19, 2021, Runsewe pleaded guilty to Theft and received 24 months of Second Chance Probation and made full restitution on April 26, 2021, by providing a cashier's check payable to the CHA in the amount of \$27,021.

OIG # 2017-06-00011 *People v. Watts and Spivery* – Guilty Plea and \$15,000 Restitution

As previously reported in prior quarterly reports, an OIG investigation revealed that, from September 1, 2008 through February 1, 2019, former HCV participant Shawanna Spivery and former CHA landlord Charles Watts fraudulently received over \$94,000 in housing assistance payments (HAP) benefits from the CHA by failing to disclose that they were married and that they lived together in the single-family home owned by Watts, where he was receiving HAP on behalf of Spivery. Spivery and Watts were indicted in June 2019 by a Cook County Grand Jury on multiple counts of Theft of Government Property from the CHA exceeding \$10,000 in value but not exceeding \$100,000, and one count each for income tax fraud for filing as "single or head of household" when they were legally married. Spivery was separately charged with Forgery for knowingly submitting a false document to the CHA.

On June 16, 2021, Spivery and Watts pleaded guilty to one felony count of Theft of Government Funds and one felony count of Forgery, respectively. Watts paid restitution to CHA in the amount of \$15,000, and Spivery is responsible for paying \$15,000 to the Illinois Department of Human Services. Watts and Spivery received three years of Second Chance Probation, plus court costs and restitution. On June 16, 2021, Watts paid the CHA restitution of \$15,000.

Sustained Administrative Investigations

The following summaries provide information regarding sustained administrative investigations closed during the following quarter. An administrative investigation is sustained if a preponderance of the evidence establishes a violation of law, policies, rules, or regulations or finds waste or inefficiency. In such cases, the OIG issues recommendations to management for enforcement action, discipline, debarment, or other corrective action.

OIG # 2020-10-00016 – Housing Specialist Failure to Secure Laptop and Log-In Credentials (HCV Program Vendor)

An OIG investigation found that a Housing Specialist III employed by a CHA vendor failed to secure their login and password information and work-issued laptop while working from home, and as a result, an individual, likely the employee's brother, accessed images of a prospective Housing Choice Voucher (HCV) landlord's voided checks and attempted to make withdrawals from the landlord's accounts using two fraudulent checks, each in the amount of \$3,800. In response to the landlord's complaint, the vendor reported the matter to the OIG, immediately limited the employee's duties, and actively cooperated with OIG's investigation. Immediately following the OIG's interview of the employee, the vendor terminated the employee for violating the Standards of Employment and Discipline guidelines outlined in its employee handbook and guidelines for protection of trade Secrets and other confidential information.

OIG's investigation, including review of personal bank records and work emails, revealed no additional suspicious activity in relation to the individual. There was no loss to the landlord or the CHA. Based on the above findings, the CHA OIG closed the investigative matter as sustained and provided a summary of investigation for the HCV Department's use and reference in its oversight of the vendor.

OIG # 2020-06-00037 Private Property Management Employee Theft and Failure to Report Misconduct to OIG (Public Housing PPM Vendor)

An OIG investigation found that a maintenance employee of a CHA private property management (PPM) company stole items from a deceased CHA tenant's unit at the Judge Fischer Apartments in May 2020. In response to a complaint from the tenant's sister, the PPM conducted its own internal investigation and, as a result, terminated two employees and suspended another. The items were recovered and returned to the complainant.

While the PPM acted swiftly to address the misconduct, it did not report the alleged misconduct to the CHA OIG as required by the CHA Board of Commissioners OIG Charter. In fact, this incident was remarkably similar to another incident involving the same PPM's employees, which came to light in June 2020, but which had occurred one year prior at the Mary Hartwell Catherwood Senior Apartments. In that incident, in June 2019, PPM maintenance employees disposed of and/or stole items from a deceased resident's unit before the tenant's family had an opportunity to retrieve the items. The deceased tenant's family reportedly complained to the PPM as well as CHA management on or about July 8, 2019, but the incident was never reported to the CHA OIG. It was only brought to the OIG's attention once news media reported on the theft on June 29, 2020, nearly a year later.

The OIG recommended that the Property and Asset Management Division instruct the PPM on its duty to promptly report misconduct to the CHA OIG. CHA contractors' duty to report to the CHA OIG misconduct that involves CHA business or assets is intended to ensure such allegations are investigated in a manner that is independent, thorough, and in accord with CHA's best interests. Additionally, providing such notice to the CHA OIG ensures CHA and the OIG have the opportunity to identify patterns and trends, such as the complaints at issue here, and to ensure vendors are addressing such issues across the board to prevent similar misconduct in the future. The OIG noted that the upcoming transition of public housing properties to PPMs may represent an opportune time to reiterate to all CHA PPMs the duty to report misconduct to the CHA OIG. The OIG asked that the Property and Asset Management Division notify the OIG of any action taken in response to OIG's recommendation.

In response, CHA's Property and Asset Management Division directed the PPM to ensure all staff performing work related to CHA's contracts have successfully completed CHA's online Ethics Training and reminded in writing of their duty to report misconduct to CHA's OIG.

OIG # 2020-04-00031 Public Housing Tenant Failure to Disclose Marriage and Family Income

A recent OIG investigation found that, from 2013 to present, a CHA public housing resident failed to list her husband as an occupant on her lease and failed to report his income from the Social Security Administration (SSA). More specifically, the tenant was admitted to the CHA Public Housing program in March 2013, but did not disclose her marriage to her husband, which occurred on April 10, 2010, nor list him as an occupant on her lease for the past eight years.

The resident did not report her husband's income from the SSA at any time during her tenancy, while reporting other income or a reduction of income when it was no longer received. The resident and her husband each had separate motivation to conceal their marriage: The husband concealed the marriage when in 2011 he began receiving survivor benefits; and the resident concealed the marriage and her husbands' income in 2013 in her application for public housing.

The OIG sustained the matter for multiple program violations and recommended that the CHA Property and Asset Management Division review the matter for appropriate legal action and eviction.

OIG # 2016-12-00051 Cabrini Green Local Advisory Council v. The CHA et al. - LAC Mismanagement, Conflicts of Interest, and Mishandling of Funds

On April 21, 2021, the U.S. District Court approved a settlement order between the CHA, City of Chicago, and Cabrini Green Local Advisory Council (LAC), establishing a process by which the current board members of the Community Development Corporation (CDC) will resign, and the CDC will establish a "caretaker board" tasked with identifying new CDC board membership and hiring professional staff. The Court will continue to monitor the CDC for at least six months following the appointment of the new board. The settlement resolves a pending motion by the CHA and the City of Chicago, asking the U.S. District Court to modify and enforce the Cabrini Green Consent Decree to allow for greater oversight of funds. In his order entering the proposed settlement, Judge Edmund Chang noted, "Given the facts set forth in the OIG Report, . . . the proposed settlement reasonably pushes the reset button on the CDC so that those important purposes can be fulfilled."

The settlement is the result of an OIG investigation of the Cabrini Green LAC, CDC and allegations of mishandling of funds, conflict of interest, and mismanagement involving various Board members. The investigation determined that the CDC failed to adhere to the intent of the 2000 Cabrini-Green Consent Decree between the Cabrini-LAC, the CHA, and the City of Chicago.

Despite receiving over \$1.5 million between 2015 and 2019, the CDC provided little or no benefits to the displaced and current residents of Cabrini Green as had been stipulated in the Consent Decree. The CDC also frequently violated and conflicts of interest and ignored professional advice by allowing CDC Board members, and family and friends of Board members, to profit and receive benefits from CDC funding. The CDC also failed to adhere to its regulatory responsibilities as an IRS recognized Tax-Exempt Organization and potentially put at risk the developments that received government tax credits.

The OIG investigation revealed that Carol Steele controlled all aspects of the CDC decision-making process and had appointed all Board members since 2009, to include family members and friends. Expenditures and actions taken by the Board were often not documented or recorded in Board minutes. Steele had served as both the LAC President and CDC President since September 1, 2016.

Due to the projected receipt of over \$7 million in revenue by the CDC, the OIG recommended that the CHA return to Federal District Court to ensure proper implementation and enforcement of the Consent Decree.

Audits and Reviews

The OIG closed five audits during the second quarter of 2021. The full audit reports are posted online at <https://www.thecha.org/about/office-inspector-general>. Below are summaries of the closed audits.

The OIG also issued a draft of the Public Housing Equipment, Appliances, and Materials Inventory Audit to CHA management and is currently waiting for CHA management's response due in the third quarter of 2021. The audit is expected to be finalized by the end of next quarter.

Pending Audits

Pending audits include the HCV Abatement Audit and HCV Demonstration Programs and Special Initiatives Admissions Audit.

Additionally, the audit and analytics team continues to provide significant investigative support to the investigative team in financial frauds and forensic accounting matters. This support greatly facilitates the OIG's ability to conduct and lead multi-jurisdiction, complex investigations.

Emergency Contract at Lake Parc Place (LPP) Audit

The OIG conducted a performance audit of a CHA Emergency Contract procured in February 2019 at the senior building of Lake Parc Place (LPP), located at 3939 S. Lake Park Avenue, Chicago, IL.

On February 1, 2019, a fire sprinkler head ruptured in the second basement (the boiler room) at LPP and the boiler room was submerged with over 12 feet of water making the fire pump, boiler, domestic water pumps, and control panel nonoperational. All tenants were relocated to various hotels while emergency repairs were being performed by a contractor.

CHA abated the LPP emergency in three days, but the restoration work proceeded for nine months without 1) a documented contract; 2) City of Chicago licensed fire guards, which is in violation of city regulation; 3) an analysis of fire guard services cost; 4) performance or payment bonds; and 5) adequate oversight and planning.

The OIG determined that a thorough assessment of the project after the emergency was abated (including but not limited to, scope of service, independent cost estimate or an executed contract) would have avoided the excessive charges for fire watch services that constituted 70% of the total project cost. In February 2020, a year after the emergency, the project was not complete, but the project cost was nearly three million dollars.

Status: CHA management concurred with the findings and recommendations and negotiated a lower hourly rate for fire watch services that resulted in an overall cost reduction of \$385,185.20. CHA management further committed to training for project managers related to emergency procurement and casualty responsibilities, the adoption of National Fire Protection Association guidance regarding fire watch services, and more frequent monitoring of vendor performance.

CPD Intergovernmental Agreement Audit

The OIG conducted a performance audit of CHA's Chicago Police Department (CPD) Intergovernmental Agreement (IGA) to provide additional police service at selected CHA sites, including various public housing developments. As part of the IGA, CPD-Voluntary Special Employment Officers (VSEO) provide additional services through dedicated police patrol watches at mutually determined CHA developments.

The OIG concluded that CPD accomplished its overall baseline services of providing police officers at specific CHA properties as defined in the IGA. However, the OIG auditors could not confirm that an identified process existed to formally monitor and review the performance of those officers, and therefore, auditors were unable to measure the full effectiveness of the VSEO program.

The OIG found a lack of effective collaboration among Private Property Managers (PPMs), Private Security Firms, and CPD, and a lack of documented processes/procedures to provide oversight and adjustments in staffing based on changes in localized crime trends.

During the audit interviews, CPD acknowledged the efforts and cooperation of the CHA Safety and Security Office, but a common theme heard from District Commanders and CPD leadership was the need for more robust communication regarding the VSEO program and goals of the IGA to ensure an alignment of mission between CPD, CHA, and the PPMs. A clearly communicated plan, more active oversight, and regular interactions among CPD, CHA, and PPMs would make certain that the CPD VSEOs are effectively performing their functions and are aligned in their mission.

The OIG also identified the timely payment of invoices and the periodic utilization of crime trend analysis at CHA properties as areas for program improvement that would enhance accountability and transparency.

Status: CHA management concurred in part with some findings and did not concur with others. CHA management responded that it is currently working with CPD on updates to the IGA, which will include better and regular reporting by CPD. CHA management noted that it regularly communicates with CPD and is working to establish monthly multi-District meetings with CPD Commanders to discuss CHA properties, which will deepen and broaden collaboration and communication efforts. CHA also started working with CPD to gather weekly calls for service for hot spots to track activity and is using this data as a starting point for larger crime statistics analysis. Property and Asset Management recently hired a new Deputy Chief for Safety and Security. During 2021, the new Deputy Chief will oversee solicitation of services for an assessment of the safety and security program and take recommendations from that review to guide additional improvements.

HCV Inspections Audit

The OIG conducted an audit of Housing Choice Voucher (HCV) inspections to determine whether CHA has effective and efficient controls over the administration and monitoring of HCV inspections.

The audit revealed certain instances in which units eligible for HCV inspections were not inspected within the annual/biennial requirement. The OIG also identified inspections that were changed from a fail status to a pass status. Broad user access to inspection records may contribute to the modified inspection records, and ultimately, creates an environment where inspection records could be manipulated and used for illegitimate reasons.

Overall, the OIG determined that some internal controls could be strengthened to provide reasonable assurance that the data meets expectations about its quality and integrity, as well as to protect from unauthorized use or modification.

Status: CHA management concurred in part with the findings and recommendations and provided an action plan to address the OIG's findings and recommendations. Specifically, HCV noted that in 2019, the NMA team and HCV Financial Compliance team took certain steps to improve billing accuracy, including manual reviews, monthly reviews of randomized samples of inspections to ensure validity, and adoption of certain regular reporting as work arounds to software limitations. HCV also committed to improving staff training to review for any scheduled inspection series when it is reported a participant is deceased or has left a unit to mitigate inspections of unoccupied units. HCV also worked with Yardi and CHA's Information Technology Section to re-review user groups with access to modify inspection records to confirm appropriate settings and committed to ensuring better documentation of the inspection record for any inspection result corrections.

Audit of PPM Tenant Accounts Receivable

The OIG conducted an audit of CHA's private property management (PPM) tenant accounts receivable for the period of January 1, 2018 to July 31, 2019. The Audit revealed the following:

1. PPMs were not consistently issuing and/or enforcing 14-Day Notices to tenants in a timely manner;
2. Mixed-finance developments were not consistently recording tenant rent received into the CHA's accounting system (Yardi);
3. Tenants' rent balances were not consistently transferred to their new unit ledgers;
4. Tenants' rent accounts in mixed-finance developments show excessive adjustments;
5. In one particular instance, which has been referred to OIG for investigation, a property manager at a mixed-finance development manipulated tenants' financial records to generate inaccurate rent charges; and
6. CHA has not reported to HUD delinquent past-Tenant Accounts Receivable (TAR) balances.

Status: CHA management concurred with the OIG's findings and recommendations and provided an action plan to address the OIG's findings and recommendations. Specifically, Property and Asset Management responded that it will 1) direct and monitor PPMs' compliance with the Property Management Procedural Manual; 2) coordinate with the CHA Law Department in on-going assessment of the appropriateness and timing of 14-Day demand letters; and 3) provide Safe Harbor consideration for residents.

CHA management noted that, in appropriate cases, residents are referred to Resident Services and a social service provider and have options for a rent repayment plan.

CHA management committed to improvements in training for property managers and the Property Accounting staff to ensure appropriate transfers in tenant account balances upon moving to a new unit. Management's response further noted that Property and Asset Management and Property Accounting have been more actively involved in addressing TAR and rent collections and review of tenant balances for MF properties. Property and Asset Management will continue working with Property Accounting to review regular exception reports and create formal responsibilities and procedures.

Follow Up of CHA Fleet Vehicle Audit

The OIG conducted a follow-up review of its 2018 CHA Fleet Vehicle Use Audit to determine the status of previous findings and recommendations for improvement. Of the 2 findings and 15 recommendations in the original audit report, the OIG determined that CHA General Services implemented 11 recommendations and had not yet implemented 4 recommendations, particularly regarding updates to General Services' Operating Procedures and improved processes to identify unpaid tolls for CHA vehicles.

Status: CHA management responded that the 4 recommendations not yet implemented will be addressed in 2021.

Management Advisories and Memos

OIG management advisories and memos seek to notify the CHA of various management and operational issues identified by OIG through analytics, audits, or investigations. The OIG provides advisories to describe opportunities to strengthen program administration, improve program controls, or eliminate waste or inefficiencies.

In the second quarter of 2021, the OIG issued one advisory to the CEO, the Chief Housing Choice Voucher Officer and the Chief Property and Asset Management Officer regarding income reporting and interim reexaminations for Housing Choice Voucher and Public Housing Participants Employed by the Chicago Public Schools. In order to give CHA management an opportunity to respond, this advisory will be summarized in the next quarterly report.

Analytics

The following are significant data analytic projects completed in the second quarter of 2021.

Registered Sex Offender List Analysis

As part of a routine analysis, the OIG continues to identify the number of lifetime registered sex offenders (offenders) listing a public housing or HCV address, pursuant to the Quality Housing and Work Responsibility Act of 1998 (Section 578), which prohibits lifetime registered sex offenders from residing in public housing.

The OIG identified 7 lifetime offenders who listed CHA addresses on the registry for this reporting period. Two of the offenders listed public housing addresses, and 5 offenders listed addresses of HCV participants.

None of the 7 offenders identified as living at addresses in the HCV program were listed as household members on the participant's voucher, suggesting the participants have an unauthorized occupant living in their units. OIG notified CHA HCV and Public Housing of its findings for appropriate action.

Action Taken on Previous Findings

Enforcement Action	Total (118)
Terminated	8
Settlement Agreement	2
Under Eviction	0
PAC Agreement or Warning Notice	15
Notice of Intent to Terminate Issued	17
Document Outstanding Notice Sent	16
After Inquiry, No Further Action Required	60