

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

UNITED STATES OF AMERICA

UNDER SEAL

v.

CRIMINAL COMPLAINT

PATRICK SLATTERY

CASE NUMBER:

I, Alan W. Reiner, the undersigned complainant, being duly sworn, state the following is true and correct to the best of my knowledge and belief. From in or about March 2000, through at least June 2005, at Chicago, in the Northern District of Illinois, Eastern Division, defendant,

(Track Statutory Language of Offense)

together with CW-15, Individual A and other City officials, devised, intended to devise and participated in a scheme and artifice to defraud the City of Chicago ("the City") of money, property, and the intangible right to the honest services of defendant SLATTERY and the aforementioned City employees, and to deprive certain applicants for City employment and promotions of money and property, by means of materially false and fraudulent pretenses, representations, promises and material omissions; and for the purpose of executing the scheme, caused the use of the U.S. Mails on or about July 15, 2004;

in violation of Title 18 United States Code, Sections 1341, 1346, and 2.

I further state that I am a(n) Special Agent, Federal Bureau of Investigation, and that this complaint is based on the following facts: Official Title

See Attached Affidavit.

Continued on the attached sheet and made a part hereof: X Yes ___ No

Signature of Complainant

Sworn to before me and subscribed in my presence,

July 17, 2005 at Date

Chicago, Illinois City and State

Jeffrey Cole, U.S. Magistrate Judge Name & Title of Judicial Officer

Signature of Judicial Officer

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

AFFIDAVIT

I, Alan W. Reiner, being duly sworn, depose and state as follows:

Introduction

1. I am a Special Agent with the Federal Bureau of Investigation, and have been so employed for approximately 21 months. In connection with my official duties, I have investigated violations of federal criminal law, including violations relating to public officials. I have also received training in the enforcement of laws concerning, among other things, public corruption and white-collar crime. I have received training and have participated in all of the normal methods of investigation, including, but not limited to, visual and electronic surveillance, the general questioning of witnesses, and the use of informants.

2. This Affidavit is made in support of a criminal complaint charging PATRICK SLATTERY with a violation of 18 U.S.C. §§ 1341, 1346 and 2, charging that from in or about approximately March 2000 through at least June 2005, SLATTERY, together with CW-15, Individual A and other City of Chicago officials, devised, intended to devise and participated in a scheme and artifice to defraud the City of Chicago (“the City”) of money, property, and the intangible right to the honest services of defendant SLATTERY and the aforementioned City employees, and to deprive certain applicants for City employment and promotions of money and property, by means of materially false and fraudulent pretenses, representations, promises and material omissions, and in furtherance thereof caused the United States mail to be used on or about July 15, 2004.

3. In particular, SLATTERY participated in a scheme in which he and his co-schemers routinely manipulated the interview and selection process for certain Department of Streets & Sanitation employment positions by conducting sham interviews, falsely inflating interview scores, and otherwise guaranteeing that certain pre-selected candidates who were favored by top City officials would win the employment positions, often to the exclusion of equally or more qualified candidates. This pre-selected status was granted by City officials at times because of the prospective employee's: association with particular political organizations or unions; contributions of labor to certain political organizations or candidates; or other influence. This fraudulent interview process, as set forth more fully below, violates federal and state laws as well as City ordinances.

4. This investigation has been jointly conducted by the Federal Bureau of Investigation, United States Postal Inspection Service, the Internal Revenue Service and the United States Department of Labor-Office of Inspector General. The information contained in this Affidavit is based on my personal observations and experience in addition to information obtained from other law enforcement agents participating in the investigation, witnesses, and documents.

5. Because this Affidavit is being submitted for the limited purpose of establishing probable cause in support of a criminal complaint, I have not included each and every fact known to me concerning this investigation. I have set forth only the facts that I believe are necessary to establish probable cause to believe SLATTERY committed a violation of 18 U.S.C. §§ 1341, 1346 and 2. Where statements of others are set forth in this Affidavit, they are set forth in substance and in part and are not verbatim.

Hiring Procedures of the City of Chicago and Laws and Duties Applicable to Defendant

6. One of the City's largest operating departments is its Department of Streets and Sanitation (Streets & Sanitation). According to the City website, located on the Internet at www.cityofchicago.org, Streets & Sanitation is responsible for garbage collection, street lamp maintenance, rodent abatement, graffiti removal, abandoned vehicle towing, street sweeping, snow plowing, and tree trimming and planting. Streets & Sanitation is currently divided into six operating bureaus, including Sanitation and Street Operations. Job titles within Sanitation and Street Operations include General Foreman of Motor Truck Drivers, Motor Truck Driver (MTD), Laborer, and Equipment Dispatcher, among many others. Streets & Sanitation has and has had personnel officers who coordinate hiring and promotion decisions within the Department, working together with the City's main Department of Personnel.

7. Section 2-74-050 of the Chicago Municipal Code provides for personnel rules, including public notice, and the selection of persons based on their "relative fitness" and "job-related selections procedures," and includes provisions for ranking applicants. Section 2-74-090 provides that no person "shall make any false statement, certification, mark [or] rating . . . with regard to any test, certifications or appointment . . . or in any manner commit or attempt to commit any fraud [or] prevent the impartial execution of this ordinance. . . ." It also provides that no person "shall defeat, deceive or obstruct any person in his right to examination, eligibility, certification or appointment under this ordinance"

8. From approximately 1999 to present, it has been a violation of Illinois law for "[a]ny officer, agent, or employee of, or anyone who is affiliated in any capacity with any unit of local government . . . [to] make[] a false entry in any book, report, or statement of any unit of local

government . . . with the intent to defraud the unit of local government . . .” 720 ILCS § 5/33E-15. Moreover, under Illinois law it is unlawful for any public officer or employee to knowingly perform an act which he knows he is forbidden by law to perform. 720 ILCS § 5/33-3(b).

9. Pursuant to orders and decrees entered by the United States District Court for the Northern District of Illinois, Eastern Division, on May 5, 1972, and June 20, 1983, in the case of *Shakman, et al. v. The Democratic Organization of Cook County, et al.*, 69 C 2145, City employees were, at all relevant times, among other things:¹

- (1) prohibited from compelling or coercing political activity by any City employee; and
- (2) permanently enjoined from directly or indirectly, in whole or in part:
 - (A) conditioning, basing, or knowingly prejudicing or affecting any term or aspect of governmental employment, with respect to one who is at the time already a governmental employee, or affecting the hiring of any person as a governmental employee (other than for positions exempt from the *Shakman* decrees), upon or because of any political reason or factor including, without limitation, any prospective employee’s political affiliation, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such prospective employee’s political sponsorship or recommendation;
 - (B) knowingly inducing, aiding, abetting, participating in, cooperating with or encouraging the commission of any act which is proscribed by the orders and decrees.

10. Certain positions, including all non-policymaking jobs such as General Foreman of MTDs, MTD, Equipment Dispatcher, and Laborer, are covered by the *Shakman* consent decree. As part of the hiring and promotion process for such positions, a City official certifies, on a document

¹ A motion to vacate the decree was denied by the district court in *Shakman v. Democratic Org. of Cook County*, 2004 WL 691872 (N.D. Ill. Mar. 30, 2004). An appeal from that decision is now pending in the Seventh Circuit, No. 04-2105.

commonly known as a “*Shakman* referral list,” that political considerations have played no role in the decisionmaking process.

11. In his capacity as a City official, and pursuant to the Chicago Governmental Ethics Ordinance, SLATTERY and other City officials referenced herein each owed a duty of honest services to the City of Chicago and the people of the City in the performance of their respective public duties.

12. According to documents I have reviewed, and information obtained from current and former City employees interviewed as part of this investigation, a hiring and promotion process for *Shakman*-covered positions existed for the City. This process varied among Departments, Commissioners and personnel directors over the years, but typically included the following steps:

a. The Commissioner and/or his/her assistants decide to hire for positions for a particular job. Once this decision is made, the Streets & Sanitation personnel office prepares “A forms” for the budget office, requesting approval to hire the employees.

b. After the budget office approves the A forms, depending on the position, the jobs may be opened for bids, for 14 days. Bid applications for Streets & Sanitation positions are obtained from the City, including Room 701 at City Hall. Bid applications can be returned by mail or in person. Employees in Room 701 usually receive the applications and time stamp them. The applications are then sent to the City-wide Department of Personnel on the eleventh floor of City Hall.

c. For union jobs, applicants are determined to be “qualified” or “unqualified” based on their union membership. There may also be job-related qualifications a bidder must meet. For example, in order to bid on a position to be a Career Service Motor Truck Driver (CS MTD),

the applicant must have a valid commercial driver's license with no air-brake restriction, and the applicant must be a member of the Teamsters union. All applicants who meet these requirements are equally qualified for the job. Generally, every "qualified" applicant is granted an interview.

d. After qualified applicants are identified, interviews are scheduled. Typically, interviews must be conducted for all non-policymaking jobs. The interviews are usually conducted by panels, which may consist of foremen, assistant general superintendents, general superintendents, and other supervisory officials.

e. Interviewers ordinarily complete rating forms for the applicants they interview. Each interviewer has a rating form for every applicant he or she interviews. There is usually a one-to-five scale for each question. The value is multiplied by the question's importance. The scores are tallied, and an average of the panelists' scores is used to obtain a final score for each candidate.

f. Those candidates with the highest scores are to be selected for the position.

g. Once the candidates are selected, the *Shakman* referral list is completed, recording which applicants were interviewed and which applicants were selected, and certifying that political considerations played no role in the process.

h. The winning candidates are then notified by the City of their selection.

13. Agents collected Streets & Sanitation personnel documents from Streets & Sanitation offices and the City's main Department of Personnel, covering the approximate time period 2000 through 2004. Those documents include A forms, applications and bid forms, documents rating candidates as "qualified" and "unqualified," interview-scheduling letters, interview rating sheets (including weighted ratings on a one-to-five scale), and correspondence concerning the employees

selected for positions. The documents corroborate the process described by current and former City personnel.

14. In particular, agents recovered documents titled “Department of Personnel Hiring Criteria Rating Form.” Each form has a place for the job candidate’s name and social security number; the job title; hiring criteria; comments; rater signature, title, and department; and the interview date. The “hiring criteria” vary from job to job. For example, “supervisory experience” is a hiring criterion for some job titles that will require the job winner to supervise others; for a laborer position, supervisory experience would not be on the evaluation form. Each hiring criterion is assigned a weight of one or two, and each hiring criterion is ranked from one to five. As to the weight scale, 1 = minor consideration, and 2 = major consideration. The rating scale is as follows: 1 = far below requirements; 2 = slightly below requirements; 3 = meets requirements; 4 = slightly above requirements; and 5 = far above requirements. There are spaces available on the form for the rater to circle the weight and rating, then to multiply the weight times the rating. There is a space at the bottom for the interviewer to total the score.

Summary of SLATTERY’s Role in Scheme

15. According to witnesses whom I and other agents have interviewed, and documents I and other agents have reviewed, SLATTERY has been employed by the City in a full-time capacity continuously since 1988. After working for approximately 12 years as an electrical mechanic, in or about March 2000, SLATTERY was chosen to become the Director of Staff Services in Streets & Sanitation. According to a resume of SLATTERY’s obtained during the course of the investigation, in the position of Director of Staff Services, SLATTERY supervised the interview process for *Shakman*-exempt and non-exempt positions. Based on witness interviews, in or about mid 2004,

SLATTERY briefly served as acting Assistant Commissioner, at least in function, until the selection of CW-16 as successor to CW-15 (as described below). From in or about July 2004 to in or about June 2005, SLATTERY again served as the Director of Staff Services.

16. The Office of Intergovernmental Affairs (IGA) is shown as a “workgroup,” or branch of the Mayor's office, on the City's website. Interviews with personnel officials and managers of the operating departments, and with political coordinators, have identified Individual A as an official in IGA who exercised authority over certain employment decisions at the City for at least the last 12 years through early 2005. Such interviews have further identified Individual B as an IGA official who has worked closely with Individual A since in or about 2002, performing similar job functions with respect to the City's hiring process.

17. This investigation has revealed that SLATTERY and other individuals performing personnel-related functions within Streets & Sanitation, acting at the direction of certain officials of IGA and Streets & Sanitation, routinely and consistently manipulated and falsified the ostensibly merit-based ratings given to prospective employees in order to improperly influence the hiring and promotions for *Shakman*-covered positions. In so doing, SLATTERY and his co-schemers used their authority to maintain and promote a hiring process for *Shakman*-covered positions that was not primarily based on merit or non-political factors as was required, but was instead manipulated with artificial scores and false certifications to ensure jobs for persons who provided free labor to, or were otherwise associated with, groups affiliated with campaign organizations, aldermen, and union officials.

Cooperating Witnesses (“CW”)

18. This investigation has developed evidence from a variety of cooperating current and former City officials and employees, who have described the hiring and promotion practices of the City, particularly as to *Shakman*-covered positions, and who have been affiliated with several different departments.²

19. CW-14 is a former high-ranking employee within Streets & Sanitation. CW-14 told federal investigators that he/she was the head of a political organization comprised mostly of City employees and individuals who were seeking City employment. CW-14 described how political campaigns benefitted from City employees’ labor and those employees were rewarded with jobs or promotions through IGA. CW-14 made statements to the government pursuant to a proffer letter issued by the U.S. Attorney’s Office. CW-14 understands that he/she will be charged with a crime, and has admitted to investigators that he/she committed mail fraud and bribery (in connection with the City of Chicago’s Hired Truck Program). CW-14 has provided information in the hopes that the government will consider CW-14’s cooperation in deciding what charges will be filed against CW-14 and what sentence the government will seek for CW-14. No promises were made by the government to CW-14 concerning potential criminal liability in this investigation, beyond consideration of his/her cooperation.

20. CW-15 is a former personnel director for Streets & Sanitation. CW-15 described the manner in which: IGA preselected individuals to receive jobs or promotions in *Shakman*-covered

² Certain witnesses may have initially denied or minimized conduct to which they later admitted. This affidavit summarizes the information based on the totality of the witnesses’ statements. In addition, individuals have been interviewed who denied any knowledge of or participation in the alleged scheme. This Affidavit does not include every instance of such denials.

positions, and interview scores/ratings were manipulated with SLATTERY's assistance to favor the preselected candidates. CW-15 has provided information pursuant to a proffer letter issued by the U.S. Attorney's Office and has provided information in hopes that the government will consider CW-15's cooperation in deciding whether to seek charges against CW-15, and if so, what charges will be filed and what sentence the government will seek for CW-15. No promises have been to CW-15 concerning potential criminal liability in this investigation, beyond consideration of his/her cooperation.

21. CW-16 is the personnel director for Streets & Sanitation. CW-16 described the rating and interview procedures in Streets & Sanitation and the manner in which he/she implemented preselected decisions by manipulating interview scores for candidates he/she did not interview. CW-16 also recounted conversations with SLATTERY that demonstrated SLATTERY's knowledge and participation in the process. CW-16 provided information pursuant to a proffer letter issued by the U.S. Attorney's Office. No promises were made by the government to CW-16 concerning potential criminal liability in this investigation, beyond consideration of his/her cooperation.

22. CW-18 is a supervisory employee within Streets & Sanitation, and has participated in the hiring process for approximately the past six years. CW-18 described the rating and interview procedures in Streets & Sanitation and the manner in which he/she implemented preselected decisions through the interview process. CW-18 also recounted conversations that demonstrated SLATTERY's knowledge and participation in the process. CW-18 provided information voluntarily. No promises were made by the government to CW-18 concerning potential criminal liability in this investigation, beyond consideration of his/her cooperation.

23. CW-19 is a CS MTD in Streets & Sanitation. CW-19 voluntarily provided information concerning his/her promotion to his/her current position. CW-19 also described his/her campaign work as a member of CW-14's political organization. No promises were made by the government to CW-19 concerning potential criminal liability in this investigation, beyond consideration of his/her cooperation.

24. CW-30 is a CS MTD in Streets & Sanitation. CW-30 has worked for the City as a driver since approximately 2001, and voluntarily provided information concerning his/her promotion to his/her current position in 2004. CW-30 also described his/her campaign work as a member of CW-14's political organization. No promises were made by the government to CW-30 concerning potential criminal liability in this investigation, beyond consideration of his/her cooperation.

25. CW-31 is a former General Foreman of MTDs for the City. CW-31 voluntarily provided information concerning his/her promotion to his/her position. CW-31 also described his/her campaign work as a member of an aldermanic ward organization. No promises were made by the government to CW-31 concerning potential criminal liability in this investigation, beyond consideration of his/her cooperation.

SLATTERY and His Co-Schemers "Fixed" the Interview Process and Falsified the Rating Forms to Implement IGA's Hiring Decisions at the Expense of Equally and More Qualified Candidates

26. CW-15 was a personnel director for Streets & Sanitation from 1998 to 2004. CW-15 said that throughout his/her years as a personnel director, he/she participated in and, in some respects, coordinated the interview and hiring process for *Shakman*-covered positions. Beginning in or about 2000 and continuing until in or about May 2004, SLATTERY assisted CW-15 in these functions.

27. CW-15 recalled that in or about January 2000, at a social function, Individual A told CW-15 that SLATTERY would be coming to work with CW-15 in performing the Streets & Sanitation personnel functions. Individual A described SLATTERY as a close personal friend for many years. Shortly thereafter, SLATTERY arrived at Streets & Sanitation to work as the Director of Staff Services. CW-15 stated that thereafter, through 2004, SLATTERY worked closely with CW-15 on the interview and hiring process for *Shakman*-covered positions.

28. CW-15 described a process whereby for almost every Streets & Sanitation hiring sequence involving *Shakman*-covered positions, CW-15 and SLATTERY received names from Individual A and/or Individual B of individuals who were to be selected to win the positions. Upon receipt of the names from Individual A and/or Individual B, CW-15 and SLATTERY manipulated the ratings scores to guarantee that the IGA preselections were made. For each year from 2000 through 2004, CW-15 indicated that he/she and SLATTERY participated in multiple hiring sequences in which, working together, he/she and SLATTERY manipulated and falsified the ratings forms. CW-15 estimated that he/she and SLATTERY administered approximately 40 *Shakman*-covered hiring sequences per year, virtually every time manipulating and falsifying the ratings in the manner described in this Affidavit.

29. CW-15 stated that, as to *Shakman*-covered positions, CW-15 and SLATTERY served as interview “panelists” for jobs including General Foreman of MTDs, CS MTD, and Laborer, among others. On these occasions, neither CW-15 nor SLATTERY filled in the rating sheets for the interviews or otherwise rated the interviewee at the time of the interview. Rather, the numerical ratings would remain blank until CW-15 and/or SLATTERY received the names of the pre-selected winners from IGA.

30. At some time shortly after CW-15 and SLATTERY conducted interviews, CW-15 and SLATTERY typically would go to IGA and speak with Individual A and, on occasion, Individual B. On these occasions, CW-15 and/or SLATTERY would be provided with names of the people that IGA wanted selected for the positions following the recently completed interviews. Individual A usually identified the people IGA wanted in the jobs by giving CW-15 and/or SLATTERY a list of the candidates with the winners' names highlighted. During this same period, CW-15 and/or SLATTERY would receive information regarding the candidates whom Streets & Sanitation officials wanted selected.

31. Before SLATTERY joined the Streets & Sanitation office, CW-15 met with Individual A to get names of preselected candidates approximately once a week or once every two weeks. Beginning in or about spring 2000, after SLATTERY was placed in Streets & Sanitation as Director of Staff Services, CW-15 and SLATTERY went together to see Individual A more often. SLATTERY sometimes went to see Individual A on his own, including to discuss Streets & Sanitation personnel matters and to get lists of job winners from Individual A.

32. CW-14, CW-15, CW-16, and CW-18 have described SLATTERY and Individual A as being close personal friends, and SLATTERY as someone who had ready and frequent access to Individual A. Individual A's secretary confirmed that SLATTERY frequently called and visited Individual A at IGA. CW-15 stated that SLATTERY's visits with Individual A, including at IGA, were both personal and professional. After SLATTERY began working with CW-15, due to the close relationship between Individual A and SLATTERY, CW-15 did not need to make an appointment to see Individual A and met with Individual A more frequently to discuss personnel matters.

33. Once they received the names of the winners from Individual A for a particular hiring sequence, CW-15 and SLATTERY filled out the rating forms to reflect the IGA decisions. CW-15 said that the scores given were based on IGA's list and direction and had little or nothing to do with consideration of the interview process.

34. According to CW-15, at the end of the hiring process for certain positions, Individual H, a high-ranking Streets & Sanitation employee, often created a color-coded document to reflect all the winners' names as well as the political organization or union sponsor associated to particular winners. CW-15 said that union leaders often negotiated with Individual A to request hires or promotions for particular employees, sometimes based on seniority and sometimes based on other, often unidentified reasons. CW-15 said that Individual A sometimes made such concessions to union leaders. As an example, CW-15 said that for a position with fifty vacancies, ten positions might be given based on union requests and forty might be given based on IGA-political selections. According to CW-15, none of the decisions were based on a good faith interview and selection process. Individual H typically provided the lists to CW-15 who, in turn, shared them with SLATTERY.

35. CW-15 and CW-18 reviewed documents obtained from the City concerning examples of Streets & Sanitation hiring sequences in which SLATTERY was directly or indirectly involved, including: promotion to General Foreman of MTDs in 2001; promotion to Career Service MTD in 2004; and promotion to Equipment Dispatcher in 2004.

General Foreman of MTDs (2001)

36. In or about January 2001, according to City documents, Streets & Sanitation personnel prepared an A form for a new General Foreman of MTDs. The A form expressly stated

that the position was covered by *Shakman*. CW-15 signed the A form on behalf of the Department's Commissioner, and placed his/her initials next to the Commissioner's name.

37. In or about February 2001, the City accepted bids on the General Foreman of MTDs position. According to City documents, 36 people submitted bids for the job. All of the bidders were members of the Teamsters union, and therefore were designated as qualified for the position.

38. According to CW-18, before the interviews, Individual H asked CW-18 to be on the interview panel. Individual H told CW-18 that one of the bidders, CW-31, was the person that Individual H and the Streets & Sanitation Commissioner wanted to receive the job. Individual H told CW-18 that the union was pushing for CW-31 to get the position. CW-18 stated that it was his/her understanding, going into the interviews, that CW-31 had already been designated as the winner.

39. According to CW-15, CW-15 knew before the interviews were conducted that IGA would be making the final selection for the General Foreman of MTDs position. CW-15 described the General Foreman position as a relatively high-level position, and stated that there was extensive discussion within IGA about who should receive the spot. CW-15 stated that IGA began discussing the position and IGA's selection for the spot in February 2001, after receiving the list of bidders from CW-15, but before interviews were conducted.

40. Interviews were conducted on or about March 13, 2001. The interview panelists were SLATTERY, CW-15, CW-18, and another Streets & Sanitation employee. According to CW-18, SLATTERY, CW-15, and CW-18 met in a Streets & Sanitation conference room the morning of the interviews. CW-15 stated, in SLATTERY's presence, that the interviews would be quick. CW-15 said that CW-18 should simply sign his/her name to the rating forms without actually selecting numerical ratings for any of the categories on the form. CW-18 understood that none of the panelists

would be evaluating the candidates on the merits. Based on his/her earlier discussion with Individual H, CW-18 believed that CW-15 and SLATTERY knew that the interviews were a sham, and that CW-31 had already been selected for the position.

41. CW-15 acknowledged that on the day of the interviews, CW-18 was instructed to sign his/her name to blank rating forms, and not to give any numerical ratings. CW-15 stated that this was the way that he/she and SLATTERY conducted all of their interviews between 2000 and 2004.

42. SLATTERY, CW-15, CW-18, and the remaining Streets & Sanitation panelist interviewed the candidates. According to CW-18, he/she followed CW-15's instruction not to give numerical ratings to any of the candidates. According to CW-15, CW-15 and SLATTERY also did not give numerical ratings to any of the candidates during the interviews. CW-15 stated that he/she and the other panelists, including SLATTERY, were just "going through the motions"; they did not ask in-depth, penetrating questions about the candidates' skills or qualifications to act in the supervisory position of General Foreman of MTDs. According to CW-15, such questions were not asked because the interview itself was irrelevant to who would be selected for the position. The job selection would be determined by IGA, not by the interviews.

43. CW-15 stated that following the interviews, he/she and SLATTERY met with Individual A at IGA to discuss who would receive the General Foreman of MTDs position. Individual A informed CW-15 and SLATTERY that the job should go to CW-31.

44. CW-15 and SLATTERY then filled out the numbers on all of the rating forms, including the forms signed by CW-18 and the other Streets & Sanitation panelist. CW-15 and SLATTERY gave pre-selected winner CW-31 a rating of 4.0. The forms reflected identical ratings by each of the four panelists: "5" for "experience in operation, scheduling and five year supervisory

experience”; “4” for “written communication skill”; and “3” for “valid CDL.” CW-15 and SLATTERY did not write any comments in the “comments” section of the ratings form. CW-15 and SLATTERY intentionally gave CW-31 the highest rating of the 37 interviewees. According to CW-15, the high rating for CW-31 was based not on merit or the interview process, but on the fact that IGA had instructed CW-15 and SLATTERY that CW-31 should be the winner.

45. CW-15 and SLATTERY gave each of the remaining 36 candidates lower ratings, again filling in numerical ratings on the forms signed by CW-18 and the other Streets & Sanitation panelist. SLATTERY signed a total of 37 falsified rating forms on the General Foreman MTD hiring sequence.

46. CW-31 received the General Foreman of MTDs position. According to CW-31, by 2001, CW-31 had been volunteering for a particular Ward Organization for approximately 25 years. CW-31 stated that being in a political organization “kept [him/her] working.” CW-31 informed the Ward Organization that he/she was putting in a bid for the General Foreman of MTDs position, and that person said he/she would notify the Alderman. CW-31 does not know whether or not the Alderman assisted CW-31 in getting the job. CW-31 stated that he/she suspects the union had some influence in CW-31's getting the position.

Career Service Motor Truck Driver (2004)

47. According to CW-15, in or about February 2004, the City began accepting bids from seasonal MTDs who wanted to be promoted to CS MTDs. Interviews were held on or about March 27, 2004.

48. CW-15 stated that for this position, there were two sets of interviews. First, candidates were interviewed by a regular interview panel comprised of operational Streets &

Sanitation employees. These panelists were instructed to rate candidates as “highly qualified,” “qualified,” or “unqualified.” They were not asked to give any numerical ratings. According to CW-15, the ratings given by the first set of panelists were irrelevant to the hiring process, and the only purpose of the first portion of the interview was to create an appearance that the candidates were being evaluated on their merits.

49. Second, candidates were interviewed by a panel consisting solely of CW-15 and SLATTERY. CW-15 stated that he/she and SLATTERY were supposed to give the candidates numerical ratings, which would be used to determine who was selected for the position. CW-15 and SLATTERY did not give numerical ratings during the interviews. Instead, CW-15 spoke to the candidates briefly about the job requirements and benefits, while SLATTERY filled out the candidates’ names and social security numbers on the ratings forms. The numerical ratings were left blank.

50. After the interviews, CW-15 and SLATTERY met with Individual B to go over the list of MTD candidates. Individual B provided the names of the applicants who should receive the MTD spots.

51. After meeting with IGA, CW-15 and SLATTERY filled in ratings sheets for all the candidates. CW-15 and SLATTERY gave all of the IGA picks a score of 5.0, the highest rating. They gave the non-IGA picks lower ratings. According to CW-15, the ratings were based not on the interviews, but on the fact that IGA instructed CW-15 and SLATTERY which people should be selected.

52. Agents obtained the rating sheets from the City pertaining to the Career Service MTD positions. The rating sheets for those individuals selected for the position are signed in the names

of SLATTERY and CW-15, and each winner was rated 5.0.³ SLATTERY signed a total of 116 falsified rating forms on the Career Service MTD hiring sequence. It also appears that SLATTERY signed CW-15's name on multiple rating forms. At the conclusion of the hiring process, CW-15 signed the *Shakman* referral form on behalf of the Commissioner (who delegated signature authority to CW-15).

53. Agents interviewed several of the winning MTDs, including CW-30. CW-30 said he/she was doing seasonal driving work for the City and wanted a career service position. CW-30 stated that he/she joined the CW-14 political organization so that CW-14 would assist him/her in getting promoted within the City.

54. According to CW-14, CW-14 did, in fact, submit CW-30's name (and CW-19's) to Individual A for the MTD spot, telling Individual A that CW-30 was in CW-14's political organization. Both CW-30 and CW-19 are listed in memos CW-14 submitted to Individual B and to Individual A in order to request CS MTD promotions for CW-14's campaign workers. CW-14 later provided copies of the memos to agents.

55. CW-30 attended the March 27, 2004 interviews, and received a 5.0 score/rating on the interview. CW-30's rating forms were signed by SLATTERY.

56. Later, on or about July 15, 2004, CW-30 received a letter in the U.S. mail informing CW-30 that he/she received the CS MTD position.

³ CW-15 noted that it was his/her and SLATTERY's practice, since in early 1990s when he/she was the personnel director for the GSA, to make sure there was at least a one-point differential between those selected and those not selected for the position, in order to minimize the chances of a grievance succeeding. The rating sheets for the 2004 CS MTD position fit the pattern described by CW-15. No person was rated between 4.0 and 5.0, and only those who received a score of 5.0 received the position.

57. CW-19 also received the CS MTD promotion. CW-19 was on active military duty in Iraq during both the bidding period and the interviews for the Career Service MTD position. Nevertheless, CW-19 submitted his/her application in late May or June 2004 – after the bid was closed, and after interviews had already been conducted – to a personnel officer in Streets & Sanitation. Even though his/her bid came in late and he/she was not interviewed, CW-19 got the CS MTD job.

58. Agents have recovered the rating forms for CW-19, which documents purport that CW-19 was interviewed on March 27, 2004, at which time CW-19 was in Iraq. SLATTERY signed the rating form for CW-19, giving him/her a 5.0 rating even though CW-19 was never actually interviewed. SLATTERY also appears to have signed CW-15's name to the rating form for CW-19, again giving CW-19 a 5.0 rating.

59. According to CW-14 and CW-19, CW-19 was a member of CW-14's political organization and sought CW-14's help in getting the CS MTD position. CW-14 stated that after the bids came out for CS MTD, he/she gave CW-19's name to Individual A and Individual B at IGA and asked that CW-19, among others, receive the position. After getting the job, CW-19 thanked CW-14 for his/her help.

Equipment Dispatcher (2004)

60. CW-16 succeeded CW-15 as personnel director at Streets & Sanitation in July 2004. (SLATTERY was acting director at least in function for several months after CW-15 left.) CW-16 said he/she learned from Individual H and confirmed with SLATTERY and other coworkers in personnel that interviews were not scored by the individuals who conducted the interview. Specifically, CW-16 stated that one of the first hiring sequences he/she was asked to coordinate was

a position for Equipment Dispatcher in summer 2004. According to City records, interviews were scheduled for August 7, 2004. Even before the interviews took place, however, CW-16 said Individual H contacted CW-16 and told him/her who the five winners would be. During a search of Streets & Sanitation offices, agents recovered a handwritten list of five names corresponding to the pre-selected winners for the Equipment Dispatcher position.

61. On the day of the interviews, candidates were questioned by two panels, each panel consisting of two interviewers. One of the interviewers was CW-18. CW-18 stated that the interviews were a sham; Individual H had already told him/her before the interviews were conducted who the five winners would be. CW-18 knew, when a candidate sat down for the interview, before the candidate answered any questions, whether he/she was getting the job. CW-18 and the other interview panelists did not fill out any numerical ratings for the candidates. According to CW-16, CW-16 filled out the numerical rating forms by himself/herself after the interviews, based on the selections he/she had received from Individual H. CW-16 had never met the candidates, including the five winners. Nevertheless, CW-16 gave the five pre-selected winners ratings of 5.0, the highest rating, and gave everyone else lower ratings.

62. CW-16 complained to SLATTERY about filling in scores for interviews he/she did not conduct. SLATTERY said that this was the best way to do it, and the same thing happened with CW-15. SLATTERY told CW-16 that SLATTERY and CW-15 signed the rating forms for the interviews conducted for the 2004 CS MTD positions in a similar fashion.

63. During the course of the federal investigation, after agents seized documents from Streets & Sanitation offices, Individual H asked CW-16 and SLATTERY to provide an explanation of the hiring process for the Equipment Dispatcher position. CW-16, SLATTERY, and other Streets

& Sanitation personnel collaborated on a description of the hiring process, which set forth the steps that were supposed to occur. The resulting product was a sanitized version of the hiring process that concealed the fact that winners had already been selected before the interviews, that IGA dictated the results of the process, and that ratings forms were manipulated after the fact to achieve IGA's desired results. CW-16 acknowledged to investigators that he/she, SLATTERY, and the other Streets & Sanitation personnel knew that the hiring process they described for the Equipment Dispatcher position was not the way the hiring had actually been conducted while SLATTERY was at Streets & Sanitation.

64. According to CW-16, until recently, CW-16 and SLATTERY shared an office, just as CW-15 and SLATTERY did before CW-15's retirement. CW-16 reported to investigators that he/she discovered one of Individual H's color-coded documents – for the 2004 CS MTD hiring sequence – in CW-16's and SLATTERY's shared office. SLATTERY was present when the document was discovered. According to CW-16, SLATTERY's response was words to the effect of, "Oh, shit."

IGA Obtains Workers for Private Campaigns from Organizations of Public Employees, and In Turn, the Organizations Request Jobs for their Political Workers

65. According to CW-15, IGA's job selections for *Shakman*-covered positions were driven primarily by political affiliation of the job candidates, or recommendations from union leaders.

66. For example, former Streets & Sanitation official and political coordinator CW-14 stated that at Individual A's suggestion, around 1999 he/she formed a political organization comprised primarily of Streets & Sanitation employees. During political campaigns, Individual A and others affiliated with IGA instructed CW-14 where to send his/her political workers. In

exchange, CW-14 gave Individual A and Individual B lists of his/her political workers who were seeking promotions to *Shakman*-covered positions within Streets & Sanitation and other City departments. CW-14 told Individual A that he/she needed the political workers to get promotions so that CW-14 could hold the political organization together. CW-14's political workers were routinely awarded promotions; according to CW-14, his/her people achieved these promotions via IGA, based in significant part on their participation in CW-14's political organization.

67. CW-14 stated that, in or around 2000, SLATTERY told CW-14 about SLATTERY's own role as a political coordinator. SLATTERY indicated that he had a small political organization of 20 to 30 workers who performed political tasks at the direction of Individual A. SLATTERY also identified certain locations where Individual A sent SLATTERY's political workers, including to work campaigns in the south suburbs. SLATTERY told CW-14 that he sought promotion and job benefits from Individual A for his political workers, but complained to CW-14 that most of the promotions and job benefits were going to another political organization reputed to have many Streets & Sanitation employees as members. CW-14 saw SLATTERY at certain political coordinator meetings and gatherings, including a 2002 meeting.

68. CW-15 likewise reported to investigators that SLATTERY had his own small political organization, perhaps related to SLATTERY's role as a precinct captain for Ward Organization A. CW-15 stated that SLATTERY's political organization consisted mainly of City employees, and that CW-15 occasionally assisted SLATTERY with campaigns. CW-16 also reported that SLATTERY was active politically in Ward Organization A.

Conclusion

69. Based on the facts described above, I submit that there is probable cause to believe that, from in or about approximately March 2000 through at least June 2005, SLATTERY, together with CW-15, Individual A and other City officials, devised, intended to devise and participated in a scheme and artifice to defraud the City of money, property, and the intangible right to the honest services of defendant SLATTERY and the aforementioned City employees, and to deprive certain applicants for City employment and promotions of money and property, by means of materially false and fraudulent pretenses, representations, promises and material omissions, and in furtherance thereof caused the use of the United States mail.

70. Specifically, I submit that there is probable cause to believe that on or about July 15, 2004, SLATTERY knowingly caused certain matter, namely an envelope containing a letter notifying CW-30 of his/her selection to Career Service MTD, to be delivered by United States mail to a Chicago, Illinois address, for the purpose of executing the above-described scheme; in violation of 18 U.S.C. §§ 1341, 1346 and 2.

FURTHER AFFIANT SAYETH NOT.

ALAN W. REINER
Special Agent
Federal Bureau of Investigation

Subscribed and sworn
before me this 17th day of July 2005

Hon. Jeffrey Cole
United States Magistrate Judge