

# CORRUPTION CONTINUES THROUGH THE COVID-19 PANDEMIC



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Every year is important in the long, startling saga of political and public corruption in Chicago and Illinois. But Year 2020 stands out as one of the most significant twelve months in recent history despite being a COVID Pandemic year.

It's importance rivals 1983 when the federal Operation Greylord investigation was first revealed. And it's likely that, 2020's impact on Illinois' politics and government soon will be seen as greater than 2003, when former Governor George Ryan was indicted for racketeering and obstructing justice; 2008, when then Governor Rod Blagojevich was indicted; or even 2009, when Blagojevich was impeached and removed from office.

The sheer number and the political stature of the elected officials and business leaders who were implicated, indicted or convicted in the 2020, is staggering. The fallout from those legal actions is still felt today. The ripple effects of those investigations and prosecutions continue to generate newspaper headlines and top-of-the-news-presentation on TV and radio. All of this will be attracting voters' attention as we approach the mid-term Congressional and state elections in November, and the elections for Chicago mayor and alderpersons in February and March of 2023.

These are some of the political corruption episodes of 2020 that voters will think about during the political campaigns:

Commonwealth Edison (ComEd), Illinois's largest electric utility, admitted that over a nine year period it bribed House Speaker Michael Madigan to get him to help enact beneficial legislation that will cost ratepayers millions of dollars. Madigan's former staffers and political allies were named in search warrants, and some were indicted as the investigation continued throughout 2020 and is still underway as this report was being prepared.

Madigan was Chairman of the Illinois Democratic Party. Until he was named in the investigation, he was widely seen as the most powerful politician in Illinois. The probe led to his resigning from the Speaker's post, as head of the Illinois Democratic Party, and from his House seat before he was indicted in April of this year.

Anne Pramaggiore, former ComEd CEO, and three ComEd lobbyists were charged with bribery back in 2020.

Former ComEd executive, Fidel Marquez pleaded guilty to one count of bribery conspiracy.

Illinois State Senator Martin Sandoval, was investigated, resigned his position and pleaded guilty to accepting more than \$250,000 in bribes.

State Senator Terrance Link pleaded guilty to federal charges of tax fraud.

Jeff Tobolski, Cook County Commissioner and former McCook Mayor was indicted for conspiring to pay bribes in the wide-reaching SafeSpeed red-light camera scandal. He pleaded guilty to extortion conspiracy and failing to pay taxes.

Crestwood Mayor Louis Presta was indicted on bribery and fraud charges in the same red-light camera scandal.

Omar Maani, a partner in the red-light camera firm, SafeSpeed, was indicted for bribery and conspiracy.

William Helm, a former deputy commissioner of the Chicago Department of Aviation was indicted and began negotiating a plea deal.

The chief financial officer and three other employees of a politically connected Bridgeport bank were indicted in a \$29 million embezzlement scheme that preceded the bank's bankruptcy. While investigating the bankruptcy federal agents discovered a suspicious unsecured loan to 11th Ward Alderman Patrick Daley Thompson, who apparently wasn't required to make payments on the loan. Subsequently, Daley Thompson was indicted and found guilty of income tax charges. He resigned from office and is waiting to be sentenced.

Mario DePasquale, police chief of west suburban McCook was indicted for extortion and conspiracy to commit extortion.

See Y. Wong, a Chinatown developer, pleaded guilty to wire fraud. He "wore a wire" on Chicago Alderman Daniel Solis which helped the FBI break open two major still ongoing corruption probes of Alderman Ed Burke and others.

## **Comparisons with other states and major metropolitan areas**

While in Illinois indictments and other legal actions were piling up against prominent politicians and businesspersons, the total number of federal criminal convictions for public corruptions continued to decline from their peaks in the 1970s and 80s here and around the country. But the decline is not dramatic. Based on U.S. Department of Justice statistics from 1976 through 2020, Illinois remains the third most corrupt state in the nation, while the Northern District of Illinois,

which is basically Chicago and its suburbs, is still the most corrupt metropolitan area in the country.

The Department of Justice (DOJ) statistics on public corruption show, that since the department began collecting the data in 1976, the Northern District of Illinois, which includes Chicago, is the most corrupt federal judicial district in the nation, and that Illinois, on a per capita basis, is the third most corrupt state.

Table 1 shows the rankings of the nation's top 15 judicial districts and includes the city where the Federal District Court and U.S. Attorney are located. The table provides the total number of public corruption convictions.

The DOJ statistics capture federal convictions for public corruption for the year they occur. The investigations and indictments often occur in prior years, sometimes three or more years before the actual convictions. They also do not include convictions for violating state and local laws and do not include corruption that is not detected and not prosecuted.

Table 1 shows that since 1976, Chicago had a total of 1,792 convictions and an average of 41 per year, Los Angeles had 1,661 and an average of 38, New York/Manhattan had 1,369 and an average of 31 per year, Miami had 1,234 and an average of 29, and Washington D.C. had 1,199 and an average of 28 per year.

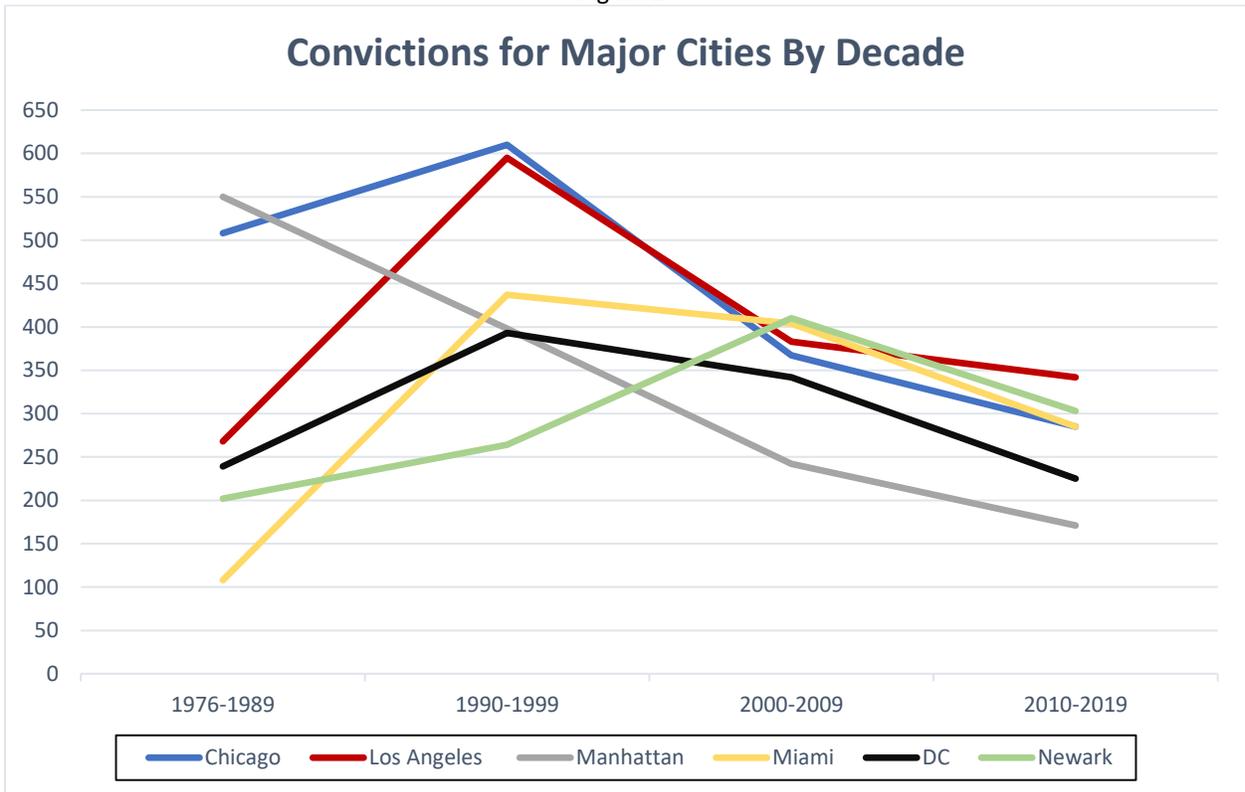
Table 1  
Federal Public Corruption Convictions by Judicial District 1976-2019

Rank	District (Major City)	1976-89	1990-99	2000-09	2010-19	2020	1976-2020
1	Illinois-Northern ( <i>Chicago</i> )	508	610	367	285	22	1,792
2	California-Central ( <i>Los Angeles</i> )	268	595	383	342	23	1,611
3	New York-Southern ( <i>Manhattan</i> )	550	398	242	171	8	1,369
4	Florida-Southern ( <i>Miami</i> )	108	437	404	285	23	1,257
5	District of Columbia	239	393	342	225	11	1,210
6	New Jersey ( <i>Newark</i> )	202	264	410	303	15	1,184
7	Virginia-Eastern ( <i>Richmond</i> )	189	213	303	391	26	1,122
8	Pennsylvania-Eastern ( <i>Philadelphia</i> )	291	246	252	270	9	1,068
9	Ohio-Northern ( <i>Cleveland</i> )	173	314	333	186	11	1,017
10	New York-Eastern ( <i>Brooklyn</i> )	308	237	204	130	11	890
11	Texas-Southern ( <i>Houston</i> )	116	205	267	253	2	843
12	Florida-Middle ( <i>Orlando</i> )	159	179	230	203	4	774
13	Massachusetts ( <i>Boston</i> )	193	159	187	188	4	731
14	Louisiana-Eastern ( <i>New Orleans</i> )	117	173	230	177	8	705
15	California-Eastern ( <i>Sacramento, Fresno</i> )	156	203	200	104	3	666

However, when only the last decade is considered—from 2010 to 2019—Chicago slips to 6th place, tied with Miami, with 285 convictions. Richmond, Virginia, is the leader with 391 convictions. It is followed by Baltimore, Maryland with 352, Los Angeles, California with 342, Newark, New Jersey with 303, and Austin/San Antonio, Texas with 290

While the total number of federal convictions for public corruption in most cities has declined beginning in the 1990s, the most pronounced decreases have been in New York/Manhattan and Chicago (See Figure 1).

Figure 1

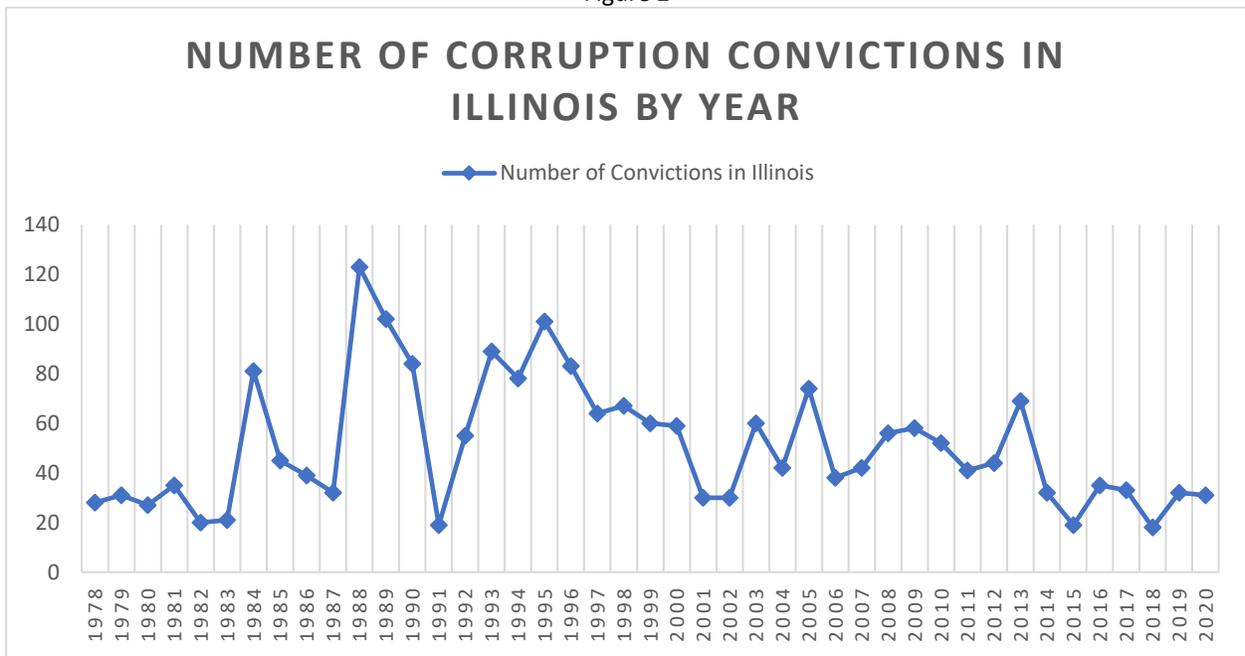


In the state of Illinois as a whole, federal convictions for public corruption totaled 2,183 since the DOJ began collecting the data in 1976. While California, New York, and several other states had more federal public corruption convictions than Illinois, the Prairie State has a much smaller population and thus a higher rate of convictions per capita than all other states except Louisiana and the District of Columbia.

**Table 2:**  
Federal Public Corruption Convictions Per Capita  
Top Thirteen States with Most Convictions 1976-2020

Rank for Convictions Per Capita	State	Convictions 1976-2020	Population 2020	Conviction Per 10,000 Population
1	District of Columbia	1,210	689,545	17.55
2	Louisiana	1,261	4,657,757	2.71
<b>3</b>	<b>Illinois</b>	<b>2,183</b>	12,812,508	<b>1.70</b>
4	Tennessee	1,045	6,910,840	1.51
5	New York	2,975	20,201,249	1.47
6	Pennsylvania	1,893	13,002,700	1.46
7	Virginia	1,230	8,631,393	1.43
8	Ohio	1,585	11,799,448	1.34
9	New Jersey	1,194	9,288,994	1.29
10	Georgia	1,163	10,711,908	1.09
11	Florida	2,315	21,538,187	1.07
12	Texas	2,348	29,145,505	.81
13	California	2,996	39,538,223	.76

Figure 2



## Patterns & Connections in 2020 corruption

In 2020, there were distinct patterns and similarities in the crimes committed, individuals involved in two or more corruption schemes, and an unusually high number of corrupt schemes in suburban locales in Cook and the collar counties.

### *Madigan Enterprise*

The term, "Madigan Enterprise" was not part of Chicago's political parlance until it was first uttered by U.S. Attorney John Lausch in March of 2022 when he announced the indictment of Michael Madigan, former Speaker of the Illinois House of Representatives, Chairman of the Democratic Party of Illinois, Committeeman of Chicago's 13th Ward, and, until recently, the most powerful politician in Illinois.

There were signs early in the summer of 2019 that Madigan's organization was beginning to crumble and his possible downfall could be imminent. In July, the *Chicago Tribune* reported that the FBI raided the home of Mike McClain, one of Speaker Madigan's closest confidants and a ComEd lobbyist. The raid took place in mid-May about the same time search warrants were served to two other Madigan associates, former Alderman Michael Zalewski and political operative Kevin Quinn.<sup>1</sup>

Four days later, a *Chicago Tribune* editorial revealed that the FBI served ComEd with a grand jury subpoena asking for information about the utility's lobbying practices. According to the newspaper, "sources have indicated the feds are exploring whether jobs or favors were requested or exchanged between the company and government leaders." With an eye toward where the case was headed, the editorial noted, "If investigators can verify that trade-offs benefited insiders to grease ComEd's legislative agenda -- a private benefit for a government act -- they could move forward with allegations of criminal activity."<sup>2</sup> Trials of ComEd, its officials, lobbyists, Mike Madigan, and his associations are not yet underway.

The *Chicago Sun-Times* followed the *Tribune* with an editorial speculating that, as early as September 2018, the federal government may have started an investigation into the exchange of benefits from ComEd to Speaker Madigan's team. The editorial said, "it was curious that after Madigan fired Kevin [Quinn] former ComEd lobbyists reportedly all started sending Quinn

money." Quinn, a member of the Speaker's staff, was fired after he was accused of sexually harassing a female worker. Then he began to get jobs and money from the ComEd lobbyists.<sup>3</sup>

In September, the FBI raided the home and offices of Illinois State Senator Martin Sandoval, Chairman of the Senate Transportation Committee and a member of the Energy Committee. The *Chicago Tribune* pointed out that Sandoval's daughter, Angie, was listed as an account manager in ComEd's government affairs department.<sup>4</sup>

Early the following month, in a filing with the U.S. Securities and Exchange Commission, ComEd and its parent company, Exelon Utilities, disclosed that the firms received a federal subpoena demanding that they turn over "communications" between Sandoval and the company.<sup>5</sup> Thus, the corruption schemes began to be made public and unravel.

Shortly after the disclosure, Anne Pramaggiore, the CEO of Exelon Utilities, abruptly retired amid what the *Chicago Tribune* said was a probe into the lobbying activities of Commonwealth Edison and its parent company, Exelon. Before rising to the top Exelon post, Pramaggiore had served as ComEd's CEO from 2012 to 2016.<sup>6</sup>

Less than a week later, *WBEZ* radio was the first news outlet to report that the FBI, in May 2019, raided the City Club's Wrigley Building office. This raid and another on the Southside home of retired Ald. Michael Zalewski, were part of the probe into political hiring and contracting by Commonwealth Edison. The City Club's president Jay Doherty is a top lobbyist for ComEd. In addition, *WBEZ* and the Better Government Association reported that federal agents served subpoenas seeking records related to Speaker Madigan and his long-time confidant, ComEd lobbyist Michael McClain.<sup>7</sup>

Once launched, the Madigan-ComEd investigation grew larger and gathered speed during 2020 and in the following two years. As this report is being produced, it appears that it will be another three years before all the Madigan-related investigations are completed, trials held, and sentences handed down.

On July 17, 2020, the U.S. Attorney for the Northern District of Illinois charged the ComEd with one count of bribery. At the same time, the U.S. Attorney filed a deferred prosecution agreement under which ComEd admitted it arranged jobs, contracts and monetary payments to various associates of Speaker Madigan to influence and reward Madigan for his efforts to pass legislation favorable to ComEd. Prosecution of bribery by ComEd, the company

but not the individuals involved, was deferred for three years while the company was required to cooperate with the prosecution.

The deferred prosecution agreement also requires ComEd to pay a \$200 million fine. In the agreement, federal prosecutors estimated that ComEd received benefits valued at greater than \$150 million, in exchange for the benefits ComEd allegedly gave bribes in various forms to Madigan and his associates.

A statement of facts attached to the deferred prosecution agreement describes benefits ComEd received "between in or around 2011 and...2019, during the same time frame that ComEd was making payments to Public Official A's associates, and extending other benefits for the purpose of influencing and rewarding Public Official A (Speaker Madigan). ComEd was also seeking support for legislation that was beneficial to ComEd, including EIMA and FEJA, that would ensure a continued favorable rate structure for ComEd. ComEd acknowledges that the reasonably foreseeable anticipated benefit to ComEd of such legislation exceeded \$150,000,000."<sup>8</sup>

*Crain's Chicago Business* columnist, Joe Cahill, commented that the \$200 million fine will turn out to be a "great investment" for ComEd. "The utility's rates for delivering power have climbed 35 percent since Madigan waved through the new rate setting process in 2011, generating more than \$750 million in revenue increases for ComEd," Cahill wrote. "Madigan also greenlighted a 2016 bill that bails out ailing Exelon nuke plants through extra charges on electric bills. It's worth \$2.4 billion to Exelon over 10 years."<sup>9</sup>

Also on July 17, 2020, *WBEZ* reported that federal investigators subpoenaed Madigan's state office seeking records involving AT&T, Walgreens, Rush University Medical Center and a host of political operatives and lobbyists.

On Nov. 18, 2020, the U.S. Attorney charged former Exelon CEO Anne Pramaggiore and three ComEd lobbyists with bribery, bribery conspiracy and willfully falsifying ComEd's books and records. The three lobbyists named were: John Hooker, Jay Doherty and Michael McClain. (See Appendix 1 for more details.)

### *Senator Sandoval and other red-light camera promoters*

Unlike the Madigan Enterprise investigation, the Sandoval-Red-Light Camera caper rolled quickly through the stages of investigation, indictment and conviction. In late September 2019, the *Chicago Tribune* reported that federal agents raided the home and offices of State Senator Martin Sandoval, chairman of the Senate Transportation Committee. What the FBI was looking for in the raid was not disclosed but the *Chicago Tribune* reported that Sandoval had drawn criticism a few years earlier when he interceded on behalf of a campaign donor that stood to make millions off red-light cameras straddling Oak Brook and Oakbrook Terrace.<sup>10</sup>

A week later, federal investigators served search warrants on the village halls of McCook and Lyons and conducted interviews in Summit and Lyons. They asked the mayor of Summit about a red-light camera company, SafeSpeed, LLC. Sandoval then resigned as chair of the Transportation committee. He resigned his state senate position effective January 1, 2020.<sup>11</sup>

In January 2020, former Senator Martin Sandoval was charged. The next day he pleaded guilty to one count of bribery and one count of willfully filing a false income tax return. As part of the plea agreement, Sandoval agreed to fully cooperate with the U.S. Attorney's Office regarding several investigations, including a bribery scheme involving SafeSpeed's contracts with several suburban communities. Sandoval admitted seeking \$5,000 per month in protection money to block any legislation the adversely impacted SafeSpeed. He also admitted accepting over \$70,000 in bribes and facilitating other bribery schemes between the company and several suburban communities.<sup>12</sup> (See Appendix 1 for details of Sandoval's guilty plea and for dates and other details of indictments and convictions of others involved in the Red-Light Camera caper.)

Sandoval's guilty plea and disclosure that he was cooperating with federal prosecutors was followed by a cascade of indictments of public officials connected to him or SafeSpeed. In February 2020, Patrick Doherty, a sales agent SafeSpeed and a former staff member for Cook County Commissioner Jeff Tobolski, was indicted for conspiring to pay approximately \$4,000 to the son of an elected Oak Lawn Trustee. In exchange, the Trustee would use his position to approve the installation of SafeSpeed cameras at intersections.<sup>13</sup> The case against Doherty was aided by a co-owner of the company, Omar Maani, who agreed to cooperate with investigators, including agreeing to record conversations with Doherty.<sup>14</sup>

In August Crestwood Mayor Louis Presta, was indicted on bribery and fraud charges for soliciting payments and other personal benefits from Omar Maani to help get additional work for SafeSpeed. Presta resigned as mayor and plead guilty in November 2021.<sup>15</sup>

## **Suburban corruption**

### ***East Dundee***

Also in August 2020, William Helm, a former Deputy Chicago Commissioner of Aviation, was charged with bribery for soliciting Senator Sandoval's aid in getting the Illinois Department of Transportation (IDOT) to approve roadwork permits in East Dundee. According to the indictment, Helm paid Sandoval cash in exchange for getting the permits approved.<sup>16</sup>

### ***Markham***

Michael Jarigese and Thomas Summers were sentenced for their involvement in a bribery scheme involving the long-time mayor of Markham, David Webb Jr. In 2016, Jarigese, president of Tower Contracting, LLC, paid Webb more than \$80,000 in bribes to secure a multimillion-dollar construction project from the city.<sup>17</sup> Summers, who knew about the bribery scheme, would later lie to federal investigators to help cover it up.<sup>18</sup> While both Jarigese and Summers would take their cases to trial and lose, Webb pleaded guilty to the charges and agreed to cooperate with law enforcement.

### ***Kankakee***

In September Richard Simms was sentenced to nine months in federal prison and two years of home confinement for stealing \$2.2 million from the Kankakee River Metropolitan Agency (KRMA) and the Environmental Service Utility (ESU). Simms served as the executive director of the KRMA and the superintendent of the ESU until his retirement in 2018. From 2014 to 2018 Simms fraudulently received approximately \$768,000 from KRMA and \$1,257,000 from ESU as payment for software developed by Plum Flower International, a company owned by his

daughter. Simms allegedly submitted fraudulent and inflated invoices to KRMA and ESU for software development, then paid approximately \$161,000 to another company to develop the software and split the balance between himself and his daughter.<sup>19</sup>

### ***McCook***

In September, former McCook Mayor Jeffrey Tobolski, pleaded guilty to extortion and agreed to cooperate with federal investigators after he was indicted for conspiring with a local police officer to extort a restaurant owner who needed permits to host events that served alcohol. Tobolski, who was previously a Cook County Commissioner, admitted to starting the extortion scheme in 2016, and collecting approximately \$29,700 over the next four years. As part of his cooperation with federal investigators, Tobolski divulged that as mayor of McCook and Cook County Commissioner he had collected at least \$250,000 from illegal activity, and willfully underreported his income on tax returns between 2012 and 2018.<sup>20</sup>

## **Conclusion**

Although the large number of federal convictions in previous decades did not seem to deter politicians nor their business benefactors from engaging in public corruption, the U.S. Attorney's widespread, multi-year racketeering investigation of the "Madigan Enterprise" could change the outlook of criminally minded politicians. They now know that the U.S. Attorney is willing and able to deploy its vast resources and to use statutes outlawing racketeering to prosecute politicians at the highest level as well as prominent businesspeople who engage in direct and indirect bribery.

Also, there are indications that the general public is beginning to demand that their elected officials pass effective reforms. Voters too, are more willing to consider the impact and cost of corruption when they vote in elections. It is likely that the elections of 2022 and 2023 will be affected by allegations of corruption and which candidates have the strongest and most credible anti-corruption campaign pledges.

Even though criminal prosecutions are important, meaningful and lasting reform will only happen, when the state legislatures and city councils pass stronger laws effectively

regulating conflicts of interest, campaign financing, contracting transparency, and corrupt lobbying practices.

Empowering inspectors general to initiate investigations and to use subpoena powers is also necessary, especially in the suburbs where there are almost no inspectors general. But the state legislature and city council must also do a much better job of policing themselves. They must adopt and enforce rules to remove members who violate ethics regulations and not simply wait for federal prosecutors to act.

**Appendix 1**  
**2020 Corruption Day by Day**

**January 2, 2020**

**Voluntarily Quit**

Charles Kean, Enforcement Administration Unit Chief of the Illinois Department of Financial and Professional Regulation, was investigated by the Illinois Office of Executive Inspector General (OEIG), which found that Kean failed to receive approval for a secondary employment; conducted activities for that job during State working hours; and used State time and resources for personal purposes. Kean left his position before the OEIG investigation was completed.

Source:

<https://www2.illinois.gov/oeig/investigations/Documents/18-00366%20Kean.pdf>

**January 6, 2020**

**Charged**

Andrew Parro, swim coach at Whitney Young High School, was charged with felony theft and official misconduct for renting out the school pool and pocketing nearly \$30,000 into his personal bank account, according to the Cook County State's Attorney.

Source:

"Swim coach charged with felony theft," *Chicago Tribune* (IL), January 7, 2020

**January 24, 2020**

**Fired**

An investigation by the OEIG) discovered that Alan Lowe, the director of the Abraham Lincoln Presidential Library and Museum's (ALPLM) was investigated by the Illinois Office Executive Inspector General. The OEIG found that Lowe loaned out a copy of the Gettysburg Address, valued at \$20 million, to a Texas based a television and radio studio. The loan was made based on an informal verbal request, and without a necessary report. In exchange for the loan, Lowe and the Museum's Chief Operating Officer, Michael Little, received free trips to Texas. After the improper loan was discovered, the Governor's Office terminated Lowe and Little from their positions.

Source:

<https://www2.illinois.gov/oeig/investigations/Documents/19-00300%20Lowe%20and%20Little.pdf>

**January 28, 2020**

**Pleaded Guilty**

Illinois State Senator Martin Sandoval pleaded guilty in federal court to bribery and filing a false income tax return. As part of the a plea agreement, Sandoval agreed to fully cooperate with the U.S. Attorney's Office and he admitted that he had taken more than \$250,000 in bribes, including \$70,000 in "protection money" from a representative of red-light camera company, SafeSpeed, LLC. Sandoval died of COVID on December 5, 2020.

Sources:

<https://www.justice.gov/usao-ndil/pr/former-illinois-state-senator-pleads-guilty-federal-bribery-and-tax-offenses>

**February 14, 2020**

**Indicted**

Patrick Doherty, a sales agent for a Chicago-area red-light camera company SafeSpeed, LLC, was indicted and charged with conspiracy to use an interstate facility to facilitate bribery and with using an interstate facility to facilitate bribery. The indictment alleged that Doherty conspired to pay money to a relative of an elected Oak Lawn Trustee to influence the Trustee to use his position to approve installation of SafeSpeed's cameras at intersections. The conspirators agreed to pay the relative approximately \$4,000, and that Doherty would make the payments from a separate company.

Source:

<https://www.justice.gov/usao-ndil/pr/sales-agent-chicago-area-red-light-camera-company-indicted-bribery-conspiracy-southwest>

**March 6, 2020**

**Indicted**

William Helm, a Deputy Commissioner of Chicago's Aviation Department. and a consultant for an undisclosed company, was charged with federal bribery. According to the indictment, Helm and his consulting firm were retained by a construction company to assist in obtaining approval from the Illinois Department of Transportation for roadwork in East Dundee. In 2018, Helm offered to pay State Senator Martin Sandoval, who was chair of the Senate Transportation Committee, to help approve the project.

Source:

<https://www.justice.gov/usao-ndil/pr/consultant-indicted-allegedly-corruptly-offering-money-illinois-state-senator>

**March 14, 2020**

**Indicted & jailed**

Hugo Torres, of Berwyn Ill., was charged by the Illinois Attorney General with a felony for impersonating a Secretary of State employee and offering government jobs and favors in exchange for cash payments. He was jailed and placed under \$200,000 bail.

Source:

“Berwyn man charged with impersonating Secretary of State employee, stealing thousands,” *Chicago Sun-Times* (IL), May 14, 2020.

**May 13, 2020**

**Sentenced**

Michael Jarigese of Frankfort, Ill., was sentenced to more than three years in prison for bribing Markham Mayor David Webb Jr. Jarigese, president of Mokena-based Tower Contracting LLC, paid more than \$80,000 in bribes to Webb. In exchange for the money, Webb helped the company get a multimillion-dollar construction project from the city.

Source:

<https://www.justice.gov/usao-ndil/pr/contractor-sentenced-more-3-years-prison-paying-bribes-south-suburban-mayor>

**May 17, 2020**

**Indicted**

Yesse Yehudah, the head of the Chicago not-for-profit Fulfilling Our Responsibilities Unto Mankind, also known as FORUM, was indicted by the U.S. Attorney on fraud charges for allegedly misappropriating at least \$200,000 in State of Illinois grants intended to develop commercial properties and job training programs. From 2013 to 2016, Yehudah received three grants totaling approximately \$575,000 from the Illinois Department of Commerce and Economic Opportunity, however instead of the fund going to their intended purposes, substantial portions of funding were redirected to other purposes. Yehudah allegedly made false statements and submitted false documents to cover-up the fraud.

Sources:

<https://www.justice.gov/usao-ndil/pr/head-chicago-non-profit-organization-charged-fraudulently-pocketing-state-grants-0>

**June 15, 2020**

**Fined**

Michael Wons, an employee with the Department of Innovation and Technology (DIT), violated state ethics revolving door rules and notification requirements, according to the Illinois Office of Executive Inspector General (OEIG). In 2018 Wons left the DIT to work for the private technology company PayIt. The OEIG found that Wons had awarded a \$58,000 state contract to PayIt before being offered a job to work for PayIT. The OEIG said Wons violated state ethic laws on four separate occasions and fined Mr. Wons \$193,689.60.

Source:

<https://www2.illinois.gov/oeig/investigations/Documents/20EEC001%20Wons.pdf>

**July 15, 2020**

**Sentenced**

Chicago police officer David Salgado was sentenced today to nearly six years in federal prison for fraudulently obtaining search warrants and stealing cash and drugs from properties he searched. Salgado was assigned to a gang team in the Chicago Police Department's Tenth District. Conspiring with other officers, Salgado submitted false information to state court judges to fraudulently obtain search warrants that enabled them to enter properties and seize cash and drugs. Salgado and the other officers would then steal the items and falsify police reports to conceal the thefts. Chicago Police Sgt. Xavier Elizondo, officer Salgado's partner, was sentenced on June 26, to more than seven years for the same scheme.

Source:

<https://www.justice.gov/usao-ndil/pr/former-chicago-police-officer-sentenced-nearly-six-years-federal-prison-fraudulently>

"Former police sergeant gets 87-month term," *Chicago Tribune* (IL), June 27, 2020.

**July 17, 2020**

**Deferred Prosecution Agreement**

Commonwealth Edison Company (ComEd) agreed to pay \$200 million as part of a deferred prosecution agreement to resolve a federal investigation into a multi-year bribery scheme. According to the agreement, ComEd admitted to arranging jobs, vendor subcontracts, and monetary payments for associates of a high-level elected official in exchange for favorable legislation. (Subsequently legal documents revealed that the elected official was Michael Madigan, Speaker of the Illinois House of Representatives.) Under the agreement, the government will defer prosecution for three years and then seek to dismiss it if ComEd agreed to continue cooperating with the investigation.

Source:

<https://www.justice.gov/usao-ndil/pr/commonwealth-edison-agrees-pay-200-million-resolve-federal-criminal-investigation>

**August 4, 2020**

**Indicted**

Richard Simms, executive director of the Kankakee River Metropolitan Agency (KRMA) and superintendent of the Environmental Service Utility (ESU), was indicted for fraud. From 2014 through 2018, Simms fraudulently received approximately \$2.2 million -- \$768,000 from KRMA and \$1,257,000 from ESU -- as payment to Simms Engineering for software development by Plum Flower International, a company owned by his daughter. Simms allegedly submitted fraudulent and inflated invoices to KRMA and ESU for software development then, once securing the \$2.2 million for the project, paid approximately \$161,000 to another company to develop the software and split the balance between him and his daughter.

Source:

<https://www.justice.gov/usao-cdil/pr/indictment-charges-former-kankakee-wastewater-utilities-official-2-million-fraud>

**August 6, 2020**

**Resignation**

Richard Ingram, Executive Director of the Illinois Teachers' Retirement System, resigned after the board received the results of a probe conducted by former U.S. Attorney Zachary Fardon. A spokesman said he was not authorized to say if the investigation involved possible financial impropriety or alleged failures of leadership.

Source:

"Head of state's largest pension fund quits after probe," *Crain's Chicago Business* (IL), August 6, 2020.

**August 7, 2020**

**Indicted**

Louis Presta, the mayor of Crestwood, was indicted by a federal grand jury for bribery, filing a false income tax return, willfully failing to file an income tax return, and for making false statements to the FBI and IRS. According to the indictment, a red-light camera company provided camera services to Crestwood. While the company was under contract with the city, Presta allegedly requested personal benefits from the company in exchange for an opportunity to provide additional services.

Source:

<https://www.justice.gov/usao-ndil/pr/crestwood-mayor-indicted-alleged-bribery-scheme-involving-red-light-camera-services>

**August 18, 2020**

**Pleaded Guilty**

Will Wiley pleaded guilty to acting as the “bagman” in a bribery scheme of Harvey towing company. The scheme involved Wiley working with Donald Luster, a private economic development consultant to Harvey and former mayor of Dixmoor, to extort bribes from the tow company’s owner ranging from \$5000 - \$7000. In exchange for the bribes, Luster agreed to pull strings with the city so that the owner would be allowed to lease a parcel of land owned by the city of Harvey. In addition to the exchanging the bribe for an opportunity to lease the city land, Wiley and Luster also discussed the owner giving bribes to Rommell Kellogg, the brother of former Harvey mayor Eric Kellogg, and Harvey police officer Derrick Muhammad.

Source:

“Harvey tow company owner pleads guilty to aiding shakedown of entrepreneur,” *Chicago Tribune* (IL), August 18, 2020.

**August 27, 2020**

**Indicted**

Robert Czernek, the Commissioner of the Bloomingdale Township Road District, was indicted for allegedly receiving kickbacks from Bulldog Earth Movers Inc., a local excavation company. The kickbacks were organized by Czernekl Debra Fazio, the Bulldog company’s owner, and Mario Giannini, a Bulldog employee. In exchange for approving hundreds of thousands of dollars in invoices for road work, most of which was never performed, Czernek received more than \$280,000. As a result of the fraud, Bloomingdale Township issuing more than \$700,000 to Bulldog Earth Movers Inc.

Source:

<https://www.justice.gov/usao-ndil/pr/bloomingdale-township-highway-commissioner-charged-federal-indictment-pocketing>

**August 28, 2020**

**Indicted**

Four employees of a clout-heavy Bridgeport bank were indicted by federal prosecutors for a multi-year, \$29 million embezzlement. The four Washington Federal Bank for Savings employees named in the indictment were: chief financial officer and treasurer, Rosallie C. Corvitte; corporate secretary Jane Iriondo; loan servicer Alicia Mandujano; and loan officer Cathy M. Torres.

**August 29, 2020**

**Indicted**

Chicago Attorney Robert Kowalski a customer of the bank and his sister, attorney Jan R. Kowalski, were charged with concealing assets in a bankruptcy case. Not named in the 2020 indictment was another customer, 11th Ward Alderman Patrick Daley Thompson, who had received a unsecured loans from the bank. William Mahon, a political ally of the Daleys and a top official with the Chicago Department of Streets and Sanitation, was a member of the bank's board. Ald. Thompson was found guilty, in February 2022, in federal court for cheating on his taxes and for lying to federal agents who investigating his loans from Washington Federal.

Sources:

"4 Employees of clout-heavy, failed Bridgeport bank charged with \$29M embezzlement conspiracy," *Chicago Sun-Times* (IL), August 29, 2020

"4 charged in alleged \$29M embezzlement," *Chicago Tribune* (IL), September 1, 2020.

**August 31, 2020**

**Indicted**

Omar Maani, a partner in the red-light camera firm, SafeSpeed, was charged with bribery conspiracy by federal prosecutors. In the next month, Maani began cooperating with the feds as part of a deferred prosecution agreement.

Sources:

"Central figure in suburban red-light camera corruption probe charged by prosecutors," *Chicago Sun-Times* (IL), September 1, 2020.

"Key figure in red-light camera company corruption probe strikes deal with prosecutors," *Chicago Sun-Times* (IL), September 5, 2020.

**September 1, 2020**

**Pleaded Guilty**

Jeffrey Tobolski, the former mayor of McCook, who also served as a Cook County Commissioner, pleaded guilty to extortion conspiracy and tax charges. In the plea agreement, Tobolski admitted that during his tenures as mayor and county commissioner he accepted multiple bribes and extorted businesses. He also admitted illegally receiving more than \$250,000, and willfully underreported his income on tax returns between 2012 and 2018. Tobolski resigned as Mayor and from the Cook County Board effective on March 31, 2020.

Sources:

<https://www.justice.gov/usao-ndil/pr/former-suburban-mayor-and-cook-county-commissioner-pleads-guilty-federal-extortion-and>

"McCook: Former Cook County Commissioner and ex-mayor of McCook Jeff Tobolski pleads guilty in political corruption case," *Chicago Sun-Times* (IL), September 2, 2020.

"Former Cook County official pleads guilty to extortion," *Chicago Tribune* (IL), September 2, 2020.

**September 3, 2020**

**Implicated**

Deputy Aviation Commissioner, William A. Helm, who previously indicted for bribery, was implicated in a separate bribery scheme involving a plumbing company seeking business at O'Hare Airport, according to a report from Inspector General Joseph Ferguson.

Source: "Inspector general implicates indicted ex-O'Hare official in a second bribery scheme," *Chicago Sun-Times* (IL), September 4, 2020.

**September 3, 2020**

**Charged**

Winnebago County Coroner Bill Hinz was arrested and charged with forgery, official misconduct, conspiracy and theft of \$15,000 of government funds. Hinz's wife, Michelle Hinz, was charged with unlawful use of a credit card, theft and conspiracy. According to the County State's Attorney, Marilyn Hite Ross, the theft involved the unlawful use of a county-issued credit card.

Source:

"Winnebago County Coroner Bill Hinz arrested on forgery, theft charges," *Rockford Register Star* (IL), September 4, 2020.

**September 4, 2020**

**Charged**

Fidel Marquez, a former ComEd senior vice president of governmental affairs was charged in a criminal information with doling out money, jobs and contracts to benefit and curry favor with Michael Madigan, Speaker of the Illinois House of Representatives. (Madigan was not named in the information but his identity was subsequently disclosed.)

Sources:

"Former high-ranking ComEd official charged in scheme to benefit Speaker," *Chicago Sun-Times* (IL), September 5, 2020.

"Ex-ComEd VP charged with bribery conspiracy," *Chicago Tribune* (IL), September 7, 2020.

**September 11, 2020**

**Pleaded Guilty**

Pedro Soto, a onetime top aide to former Chicago Public Schools CEO Janice Jackson pleaded guilty to intentionally misleading the FBI while the agency was conducting a criminal investigation into Soto's interactions with a lobbyist regarding the awarding of a CPS custodial services contract valued at about \$1 billion. In 2016, Soto was a member of a CPS evaluation committee and was tasked with recommending companies for CPS to hire to perform the services. In the plea agreement, Soto admitted to repeatedly providing non-public information to a colleague of a lobbyist and in exchange, the lobbyist's colleague promised Soto certain benefits.

Sources:

<https://www.justice.gov/usao-ndil/pr/former-chicago-public-schools-employee-pleads-guilty-making-false-statements-fbi>

"CPS brass accused of lying to FBI," *Chicago Tribune* (IL), August 28, 2020.

"Former chief of staff to CPS CEO pleads guilty to lying to feds," *Chicago Sun-Times* (IL), September 12, 2020.

**September 16, 2020**

**Pleaded Guilty**

Illinois State Senator Terrance Link pleaded guilty to federal charges of tax fraud. In the plea agreement, Link admitted willfully underreporting his income between the 2012 through 2016. For the calendar year 2016, Link admitted that he underreported approximately \$93,859, approximately \$73,159 of which was money from a campaign fund, Friends of Terry Link.

Sources:

<https://www.justice.gov/usao-ndil/pr/former-illinois-state-senator-pleads-guilty-federal-tax-charge>

"State Senator Terry Link pleaded guilty to income tax evasion days after resigning from Illinois Senate," *ABC WLS TV 7*, September 16, 2020.

**September 18, 202**

**Indicted**

Mario DePasquale, police chief of west suburban McCook was indicted for extortion and conspiracy to commit extortion . According to the indictment DePasquale allegedly demanded that a restaurant owner pay him and McCook Village Mayor Jeff Tobolski \$1,500 for each themed event using village property.

Source:

"McCook police chief indicted in extortion scheme related to the corruption case of suburban ex-mayor," *Chicago Sun-Times* (IL), September 18, 2020.

**October 1, 2020**

**Sentenced**

Eddie Hicks, a former Chicago Police officer, was sentenced to 13 years for participating in a robbery and extortion gang within the Chicago Police Department. Through the 1990s, Hicks was a member of a four-person crew that conducted fraudulent drug raids and automobile stops of suspected drug dealers, threatened them with arrest, then kept the drugs, cash, or weapons, and resold the items on the black market.

Source:

<https://www.justice.gov/usao-ndil/pr/former-chicago-police-officer-sentenced-13-years-prison-participating-robbery-and>

**October 1, 2020**

**Sentenced**

Thomas Summers, a small business owner, was sentenced to a year and a day in federal prison for lying to federal law enforcement about his knowledge of a bribery scheme involving the mayor of Markham and the company Tower Contracting LLC. In November 2016, federal agents interviewed Summers as part of a public corruption investigation involving then-Markham mayor David Webb Jr. During the interview, Summers denied having knowledge about bribe payments to Webb by Tower Contracting LLC.

Source:

<https://www.justice.gov/usao-ndil/pr/suburban-business-owner-sentenced-year-federal-prison-connection-public-corruption>

**October 8, 2020**

**Indicted**

Christopher Thompson, a former assistant director of the Massac County Emergency Management Agency (EMA), was indicted for wire fraud and mail fraud. According to the indictment, Thompson obtained over \$49,000 in money and property for himself by fraudulently using Massac County EMA's to create new accounts in its name, then allegedly used these accounts to charge personal expenses.

Source:

<https://www.justice.gov/usao-sdil/pr/former-assistant-director-massac-county-ema-charged-mail-and-wire-fraud>

**October 8, 2020**

**Pleaded Guilty**

Heath Shelton, a former employee with the United States Postal Service, pleaded guilty to fraud for making a false statement to obtain federal disability compensation. Shelton started receiving federal disability payments in 2012 after injuring his back as a letter carrier with the U.S. Postal Service. In late 2019, he began working on a part-time basis at Complete Family Chiropractic & Wellness, but to avoid a reduction of his benefits, did not disclose his work at the clinic and falsely reported that he had not been working.

Source:

<https://www.justice.gov/usao-sdil/pr/former-postal-employee-pleads-guilty-disability-fraud-after-failing-disclose-side-job>

**November 7, 2020**

**Civil Settlement**

Concept Schools Inc., a charter school chain based in the northwest suburbs has agreed to pay \$4.5 million to end a long-running federal investigation into allegations that it improperly steered federally funded technology contracts to "chosen vendors. The justice department alleged that Concept Schools violated the federal False Claims Act by engaging in non-competitive bidding practices involving contracts funded with taxpayers dollars.

Source:

"Concept Schools charter chain to pay \$4.5M to end federal investigation," *Chicago Sun-Times* (IL), November 8, 2020.

**November 13, 2020**

**Sentenced**

Rommell Kellogg, the brother of former Harvey mayor Eric Kellogg, was sentenced to nine months in federal prison for conspiring to extort a local strip club owner. Rommell Kellogg, along with his cousin Corey Johnson--both city officials--were aware that prostitution was occurring at the strip club, but instead of reporting it to law enforcement, threatened the owner with shutting down the business unless the owner made regular payments to them.

Source:

"Ex-Harvey mayor's brother, a 'deeply corrupt police officer,' gets 9 months in Uzi coverup," *Chicago Sun-Times* (IL), November 13, 2020.

**November 13, 2020**

**Pleaded guilty**

Derrick Muhammad, a former police officer with the Harvey police department, pleaded guilty to falsifying a police report to protect two acquaintances facing firearm charges for possessing an Uzi machine gun. The acquaintances, a father and son team, were not only both felons and could not legally possess firearms, but the Uzi had been stolen. After their car was reported stolen, found, and towed, the father and son learned that the tow company had found a firearm in their car. Upon realizing that the tow company had discovered the firearm, the father and son conspired with the officer Muhammed to hide the gun's existence. Evidence against Muhammad was derived by a secretly recorded conversation that he had with fellow officer Derrick Moore. Federal investigators believed that Muhammad was engaged in various other illegal activities, with assistant U.S. Attorney Sean Franzblau stating that, "Muhammad is a deeply corrupt police officer who was working with his family members for years in collecting bribes and extorting people around the city of Harvey."

Source:

"Ex-Harvey mayor's brother, a 'deeply corrupt police officer,' gets 9 months in Uzi coverup," *Chicago Sun-Times* (IL), November 13, 2020.

**November 13, 2020**

**Pleaded Guilty**

See Y. Wong, a Chinatown developer, pleaded guilty to wire fraud related to a South Side condo project. Wong, who wore a wire on Ald. Daniel Solis and helped the FBI break open a sweeping political corruption probe, allegedly lied to banks and buyers with his Canal Crossing building.

Sources:

"Chinatown developer pleads guilty to fraud," *Chicago Tribune* (IL), November 15, 2020.

"Developer who secretly recorded Speaker for feds pleads guilty to wire fraud," *Chicago Sun-Times* (IL), November 14, 2020.

**November 18, 2020**

**Indicted**

Four Commonwealth Edison (ComEd) executives were indicted on multiple conspiracy and bribery charges. According to the indictment, beginning in 2011 the four individuals worked with outside consultants to unduly influence a high-level elected official in exchange for favorable legislation. The indicted individuals included ComEd consultant and lobbyist Michael McClain, who previously was an Illinois state representative; Anne Pramaggiore, a ComEd CEO from 2012 to 2018; John Hooker, who served as ComEd's executive vice president of legislative and external affairs from 2009 to 2012, and later a ComEd lobbyist; and Jay Doherty, owner of Jay D. Doherty & Associates, which performed consulting services for ComEd from approximately 2011 to 2019. To hide the bribery scheme, the four defendants allegedly created false contracts, invoices, and other books and records. (Subsequently legal documents revealed that the elected official was Michael Madigan, Speaker of the Illinois House of Representatives.

Source:

<https://www.justice.gov/usao-ndil/pr/former-commonwealth-edison-executives-and-consultants-charged-conspiring-corruptly>

**November 19, 2020**

**Indicted**

Anthony Sabaini, a special investigator for the Illinois Department of Homeland Security (DHS), was indicted for willfully filing a false federal tax return, for structuring a currency transaction, and for willfully engaging in a scheme to conceal a material fact in a matter within the jurisdiction of DHS. According to the indictment, from 2014 to 2018, Sabaini deposited approximately \$251,371 in cash into a bank account for which he was the sole signatory. The deposits were structured to evade federal rules, which require financial institutions to report transactions of more than \$10,000 to the U.S. Department of the Treasury. To further hide the money, Sabaini filed a false tax return that underreported his total income. In addition, in 2017 and 2019, Sabaini knowingly submitted false memorandums to his supervisors to seek approval to use and pay a confidential informant in a criminal investigation. In the memorandums, Sabaini knowingly covered up facts that revealed the informant was a target of ongoing drug investigations by the FBI and DEA.

Sources:

<https://www.justice.gov/usao-ndil/pr/homeland-security-investigations-special-agent-charged-tax-structuring-and-concealment>

"DHS agent accused of financial crimes," *Chicago Tribune* (IL), November 20, 2020.

## End Notes

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- <sup>1</sup> "FBI raids home of ComEd lobbyist close to Madigan: Feds probing possible crimes by Speaker's inner circle," *Chicago Tribune* (IL), July 19, 2019
- <sup>2</sup> "The feds' surgical strike against Speaker Madigan's allies," Editorial, *Chicago Tribune* (IL), July 23, 2019
- <sup>3</sup> "Editorial: Connecting the dots on Mike Madigan, ComEd lobbyists and your electric bill," *Chicago Sun-Times* (IL), July 25, 2019
- <sup>4</sup> "ComEd: Feds subpoenaed all ties to Sandoval," *Chicago Tribune* (IL), October 11, 2019
- <sup>5</sup> Jon Seidel, "Feds subpoena ComEd for records about state Sen. Martin Sandoval," *Chicago Sun-Times* (IL), October 10, 2019.
- <sup>6</sup> David Roeder, "Top Exelon exec retires amid federal probe," *Chicago Tribune* (IL), October 16, 2019
- <sup>7</sup> Dave McKinney, Dan Mihalopoulos, "Source: Feds Sought Info On House Speaker Michael Madigan In City Club Raid," *WBEZ FM*, October 20, 2019
- <sup>8</sup> From page A-12 of Attachment A, Statement of Facts, in the Deferred Prosecution Agreement by the United States of America and Commonwealth Edison Company filed on July 17, 2020, in the United States District Court for the Northern District of Illinois, Eastern Division.
- <sup>9</sup> Joe Cahill, "Exelon CEO needs to be held accountable in ComEd scandal," *Crain's Chicago Business* (IL), July 21, 2020.
- <sup>10</sup> Jason Meisner, Jamie Munks and Ray Long, "Feds raid offices, home of Sandoval," *Chicago Tribune* (IL), September 25, 2019
- <sup>11</sup> Robert Herguth, Mark Brown and Jon Seidel, "Feds set their sights on red-light camera company," *Chicago Sun-Times* (IL), October 2, 2019  
Jason Meisner, Jamie Munks and Ray Long, "Sandoval quits as chair of transportation panel," *Chicago Tribune* (IL), October 12, 2019
- <sup>12</sup> Jon Seidel, Robert Herguth, and Mitch Dudek, "Ex-Sen. Martin Sandoval said he was going 'balls to the walls' for red-light camera company for thousands in bribes: feds," *Chicago Sun-Times* (IL), January 28, 2020. Jason Meisner, Megan Crepeau, Joe Mahr, "Guilty plea bares Sandoval's greed. Ex-state senator griped he wasn't being bribed enough in red-light cam scheme," *Chicago Tribune* (IL), January 29, 2020.
- <sup>13</sup> Jon Seidel, "More charges could be on the way for former county official indicted in red-light scandal," *Chicago Sun-Times* (IL), November 10, 2020.
- <sup>14</sup> Jason Meisner, "Former SafeSpeed executive who wore FBI wire charged with bribery conspiracy involving Oak Lawn red-light camera scheme," *Chicago Tribune* (IL), August 31, 2020.
- <sup>15</sup> Jason Meisner, "Crestwood Mayor Louis Presta resigns, pleads guilty to bribery in red-light camera probe," *Chicago Tribune* (IL), November 17, 2021
- <sup>16</sup> Mitchell Armentrout, "Ex-city official signals plea deal coming in federal bribery case," *Chicago Sun-Times* (IL), August 8, 2020.
- <sup>17</sup> Luke Wilusz, "Frankfort contractor gets 3 years for bribing former Markham mayor," *Chicago Sun-Times* (IL), March 14, 2020.
- <sup>18</sup> Chicago Sun-Times Wire, "Man gets prison for lying to feds in former Markham mayor's bribery case," *Chicago Sun-Times* (IL), October 2, 2020.
- <sup>19</sup> Associated Press, "Ex-Kankakee Official Gets Prison for Taking More Than \$2M," *U.S. News and World Report*, September 21, 2020.
- <sup>20</sup> Jason Meisner, "Former county official and McCook Mayor Jeffrey Tobolski pleads guilty to extortion charges, cooperates with investigation," *Chicago Tribune* (IL), September 1, 2020.