

**BOARD OF ETHICS**  
**OPEN SESSION MINUTES**

December 12, 2012 - 3:03 p.m.  
740 North Sedgwick, Suite 500

**BOARD MEMBERS PRESENT**

Stephen W. Beard, Chair  
Russell F. Carlson  
Mary T. Carr  
Hon. Michael J. Gallagher  
Frances R. Grossman  
Daisy S. Lezama  
Hon. Julia M. Nowicki

**STAFF PRESENT**

Steven I. Berlin, Executive Director  
Lisa S. Eilers, Deputy Director  
Richard J. Superfine, Legal Counsel  
Ana Collazo, Attorney/Investigator  
Edward Primer, Program Director  
Pally Casillas, Staff Assistant

**I. APPROVAL OF MINUTES**

The Board VOTED 7-0 to approve the Open Session Minutes of the November 14, 2012 meeting, as amended.

**II. CHAIR'S REPORT**

Deferred.

**III. EXECUTIVE DIRECTOR'S REPORT**

**A. Education—Classes**

Since the last Board meeting, staff has conducted 2 regularly scheduled classes for persons required to attend face to face ethics training sessions every 4 years: on November 21 and December 5, 24 employees attended. The schedule for classes in 2013 has been entered into the Board's computer program; we will conduct 2 per month. The next regularly scheduled class is December 19. 16 persons are scheduled.

On December 14, staff will conduct a 60 minute training session for 35 new employees of the Department of Aviation through Laborers' International Union, Local 1001. On December 19, we will conduct a 60 minute seminar for all 15 new members and 15 management staff of the Commission on Human Relations, at the request of the Commission's Executive Director. On February 1, we will conduct a 90 minute seminar for approximately 14 members of the senior management staff of the Chicago Public Library, at the request of its Commissioner. We are in the process of scheduling 5 classes for all inspectors at the Department of Buildings, and the next 3 seminars for vendors (at the request of the Chief Procurement Officer).

The Ordinance that took effect on November 1, 2012 also requires the Board to provide training for all new employees and officials—for those who must attend face-to-face training, within 120 days of their start, and for others, within 60 days of their start. Staff is working to

finalize the program for those who need to complete the training within 60 days of their start date. Staff is in the process of finalizing the purchase of Articulate, a learning management software program that will enable us to embed video and graphics into our training programs to appeal to learning styles other than verbal.

**B. Education–Mandatory Annual Ethics Education**

As of today, approximately 28,800 City employees and 23 aldermen have completed the 2012 program. We are thus at 94% compliance, and on track to reach 100% by December 31, 2012 at midnight. Notices will be sent to all ethics officers and department heads/aldermen on December 17 informing them that all non-complying employees and officials are subject to \$250 fines and their names being made public in the manner the Board determines.

We have identified ethics officers from nearly all City departments and ward offices. We are scheduling at least 2 classes to train them in their duties, and new developments in the law, as required by the Ordinance. We will hold these classes in late January.

**C. Lobbyists**

We currently have 693 lobbyist registrations, and have collected \$368,450 in registration fees. Article IV of the Ordinance, which covers lobbyist registration and reporting, requires each lobbyist to register and file activity reports by January 20. Staff set up the ELF (Electronic Lobbying Filing system) to notify all lobbyists by email of these deadlines on December 20. We receive a report showing us any lobbyists whose emails bounce back; they are notified via US mail. This year's notice will include explicit notification that non-complying lobbyists are subject to severe fines under the Ordinance, as recently amended, and their names being made public in the manner the Board determines.

**D. Statements of Financial Interests**

To date, 14,232 employees and officials have filed their statements in compliance with the law. We have collected \$25,960 in late filing fees for 2012. There remain 157 employees and officials who have yet to file. All were determined by the Board to have violated the Ordinance at the July 2012 meeting. The criteria for who files Statements in 2013 and beyond has changed under the Ordinance--it has moved from a salary threshold to one related to job responsibility. Staff is working closely with each City department to identify those titles and individuals who will be required to file in 2013, and re-tool the EFIS system (EFIS is short for Electronic Financial Interests Statements) so that all who will be required to file will be sent an email notice with filing and password instructions by March 1, 2013. We anticipate approximately 3,500 filers in 2013.

**E. Ethics Ordinance Amendments**

The Mayor's Ethics Reform Task Force issued Part II of its Report on August 28. The Report contains some interesting and productive recommendations—among the most important of which are that the IG and LIG will present their Reports to us for a finding of probable cause, and then the matter will be set for a hearing on the merits for a final adjudication as to whether the Ordinance was violated. The Board is working with the Mayor's Office, Law Department, and City Council on revising the draft ordinance which was submitted on November 15 and sent to the City Council's Rules and Ethics Committee, and we are preparing to give aldermanic briefings.

**F. New Publications**

During the week of November 23, the Board published and distributed its annual guide to holiday gift-giving and receiving. The laws have changed considerably since last year.

**G. Requests for Informal and Formal Opinions**

The Board is on a pace to set an all-time record for informal advisory opinions requested and issued. The agency will have issued 6,210 opinions by year's end. Approximately 70% of requests come from City employees and officials, and 10% from lobbyists, 10% from representatives of City vendors and contractors, and the rest from former employees and officials and other governmental units, the public and the media. Note that, under Board Rules & Regulations, only current and former City employees and officials, lobbyists, vendors or contractors, or their attorneys, or any other person who is involved in the situation in which they seek advice, have "standing" to request advice from the Board. Approximately 40% of the Board informal opinions are requested via email, 50% via telephone, and the remaining in person (after class, or via drop-in visits).

**H. COGEL Conference**

Between December 1 and 5, the Executive Director attended the 33<sup>rd</sup> annual COGEL (Council on Governmental Ethics Laws) Conference in Columbus, Ohio. COGEL is an international organization with more than 600 members, including all of the ethics, lobbying, campaign financing and election commissions and agencies in the United States and Canada at the federal and state/provincial level, and all large municipalities. COGEL has 5 "tracks": ethics, lobbyist regulation, financial disclosure, election administration, and freedom of information

**I. Illinois Freedom of Information Act**

Since the last regularly scheduled Board meeting, the office has received 3 new requests under the Freedom of Information Act. These were: 1 request for all records and

correspondence for two lobbyists; 1 request for lobbying filings from two lobbyists; and 1 request for financial records with respect to the Legislative Inspector General. The office located and produced 87 records, for a total of 130 pages.

**IV. DEPUTY DIRECTOR'S REPORT**

Deferred.

**V. OLD BUSINESS**

A. Discussion of use of email for meeting materials sent to Board members.

Board and staff discussed procedures involved in obtaining City email addresses for the Board members.

**VI. NEW BUSINESS**

None.

The Board VOTED 7-0 to adjourn into Executive Session at 3:38 p.m. under 5 ILCS 120/2(c)(1) to discuss the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity.

**THE RECONVENED OPEN SESSION**

After the Executive Session, the Open Session of the meeting reconvened at 5:36 p.m.

**VII. MATTERS CONSIDERED BY THE BOARD IN EXECUTIVE SESSION**

**I. Approval of Executive Session Minutes**

The Board VOTED 7-0 to approved the minutes of the November 14, 2012 meeting in executive session.

## **II. Cases**

### **A. Office of Legislative Inspector General**

#### 1. Case No. 12008.OLIG

The Board VOTED 7-0 to determine that a City Council employee violated several provisions of the Ordinance, and to recommend that the alderman for whom the employee works suspend him for 30 days without pay. The case arose from an investigation by the Legislative Inspector General (LIG), who found that the employee was arrested by the Chicago Police Department for illicitly purchasing a CTA card, and then, during the arrest, threatened the officers with their jobs, and stated that his City position would enable him to have their jobs. The LIG also found that the employee lied under oath during an investigative interview. Before coming to its determinations, the Board considered all the arguments and evidence that the employee submitted in response to the investigative report.

### **B. Advisory Opinions**

#### 2. Case No. 12067.1A and 2A, Limitations under Ordinance on Not-For-Profits

The Board discussed a draft advisory opinion to an attorney for two nonprofits, addressing whether aldermen may solicit and/or accept donations from companies doing business with the city on behalf of the nonprofits.

By a VOTE of 7-0, the Board Adopted the draft opinion and determined that aldermen acting on behalf of nonprofits may not solicit donations from companies doing business with the city and may accept in-kind donations worth no more than \$50.00 from a single source in a calendar year on behalf of the organizations.

### **C. Lobbying**

#### 3. Case No. 12046.41.LOB, Request to Vacate Suspension and Fine determination

#### 4. Case No. 12041.47.LOB, Request to Vacate Fine determination

These two cases involved the same former lobbyist. The first concerned his failure to file his January-June 2012 activity report; the second his failure to complete mandatory annual ethics training. The Board considered vacating its prior determinations that he had violated the Ordinance. The Board VOTED 7-0 to “table” these two cases for the next scheduled meeting, January 23, 2013.

**D. Dismissed/Referred Complaint Report**

5. Case No. 12070.C, No Jurisdiction

Staff reported that case no. 12070.C involved issues regarding benefits and raised other concerns that did not implicate potential violations of the City's Ethics Ordinance. Staff dismissed the case, referred the benefits issue to another City department, and provided the complainant with an outside referral for the remaining issues. The Board VOTED 7-0 to approve staff's report.

The Board VOTED 7-0 to adjourn the meeting at 5:38 p.m.