

BOARD OF ETHICS
OPEN SESSION MINUTES

June 19, 2013 - 3:10 p.m.
740 North Sedgwick, Suite 500

BOARD MEMBERS PRESENT

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

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
Pully Casillas, Staff Assistant

BOARD MEMBER ABSENT

Hon. Julia M. Nowicki

ATTENDEES PRESENT

Shawn Bradley	Raul Roldan
Daniel Burke	Santa Sanchez
Samuel Frieri	Christopher Williams
Diakhate Mamadou	

At 3:08 p.m. Michael J. Gallagher was appointed Chair *pro tem* and began the open session. At 3:10 p.m. the Chair, Stephen W. Beard, joined the meeting, and Mr. Gallagher relinquished his office.

I. APPROVAL OF MINUTES

The Board VOTED 6-0 (Hon. Julia M. Nowicki, absent) to approve the Open Session Minutes of the April 18, 2013 meeting. There was no May Board meeting.

II. CHAIR'S REPORT

Deferred.

III. EXECUTIVE DIRECTOR'S REPORT

A. EDUCATION-CLASSES

Since the last Board meeting, we have held 4 classes in our offices (on April 25, May 9 and 23, and June 13), for persons required to attend. A total of 83 City employees attended.

There are currently 39 employees scheduled to attend classes on June 27 and July 11. A training class for all the City's Division Superintendents from the Department of Streets & Sanitation is scheduled on July 29. On July 1, I will make a lunch presentation to the entire group of Mayor's Fellows, at the request of his office.

In addition, at the invitation of Board member Fran Grossman, I made a 90 minute presentation to a class in urban planning at the UIC on April 24. At the request of the Commissioner of Housing and Economic Development, on May 8 staff made a 40 minute presentation to 35 SSA Commissioners at the annual SSA forum, held at Malcolm X College. At the request of the Mayor's Office, we hosted a delegation of visiting investigative reporters from Bangladesh on May 22. Finally, I made a one-hour presentation to 65 members of the Federal Bar Association on June 12.

B. ON-LINE TRAINING

I am pleased to report that, thanks to the hard work of our staff and the IT professionals in the Department of Innovation & Technology, the all-new all-employee training was posted. It includes graphics and 3 short films. We intend to post the aldermanic training, which is nearly identical, after July 1, and are working to adapt it to appointed officials. All department heads, aldermen, and ethics officers are returning their departmental training plans.

There are currently 32,120 employees scheduled to complete the training (including "contract employees" who are required to do so for the first time under the newly amended ethics ordinance).

C. LOBBYISTS

As of today's date, we have 647 registered lobbyists, and have collected \$325,300 in registration fees this calendar year. The next quarterly reporting period ends on June 30, and lobbyists' quarterly reports are due by July 20 (actually July 22, as July 20 is a Saturday). On June 28, our ELF system will send reminder notifications to all registered lobbyists regarding the July 22 deadline.

To date, 530 lobbyists have completed the training program. We are sending out regular reminders—the deadline is June 30 at midnight. Lobbyists who fail to complete the program by the deadline are subject to fines.

D. STATEMENTS OF FINANCIAL INTERESTS

As of 2:30 p.m. today, we have received and processed 3,465 Statements of Financial Interests from those persons required to file them by May 31, out of a total of 3,478 required filers. This puts the City at 99.6% compliance. There remain just 13 who have not filed. They, and the 50 other employees and officials who did not file by May 31, will be the subject of further discussion in executive session. Those who failed to file by May 31, 2013 are subject to a determination that they violated the Ordinance, a \$250 per day fine, and to their names being made public.

E. STATEMENTS OF ECONOMIC INTERESTS

As I had reported some time ago, I served on the committee convened by Lt. Gov. Simon to

redraft the “Statement of Economic Interests” filed by state and local government officials throughout Illinois, including about 3,000 City employees and officials who file with the Cook County Clerk’s Office. The work of this committee resulted in a bill that was submitted to the General Assembly last Fall, (SB 1361) and which, as of two weeks ago, is in the House Rules Committee, having been passed by the Senate. The working committee included representatives from the Cook County Clerk’s Office, Lt. Governor’s Office, the BGA, ILCPR, and two law professors. The bill would streamline the form, making it clearer and more meaningful.

F. INFORMAL ADVISORY OPINIONS

To date in 2013, we have issued 3,166 informal advisory opinions. At the next Board meeting, we will have a “deeper dive” report on topics and trends. Not surprisingly, however, we have noticed spikes in questions about business travel (given the changes to the Ordinance requiring that educational travel be cleared in advance by our agency), as well as historically higher numbers of questions about serving on outside boards, typically non-profit boards, and the use of one’s name and City title.

G. BOARD’S RULES & REGULATIONS

Staff has completed its working draft of the Board’s Rules & Regulations (last amended in February 2010). They will be the subject of further discussion later in this meeting. By law, once they are submitted to the City Council, they become effective in 45 days, unless the City Council disapproves them by majority vote. Upon the Board’s approval, we will release them for public comment, as well as comments from the City Council, Mayor’s Office, Corporation Counsel, Department of Administrative Hearings and the two Inspectors General before they are officially submitted to the City Council. I wish to thank my staff for its hard work on this project.

H. NEW ORDINANCE

In mid-May, we posted on our website an engrossed version of the Ordinance that will take effect on July 1, 2013.

I. SUMMER INTERN

I’m pleased to report that we will have a student from Richards Career Academy High School join us as a summer intern from July 1 through August 9. Interns are paid through the CPS at a rate of \$8.25/hour. The general tasks she will be involved in are: helping us to prepare and distribute lists of persons who have taken/not taken training (MS Excel spreadsheet work); routing mail; answering phones and routing phone calls to the correct attorney; delivering documents via hand delivery; assisting staff in preparing large mailings; working with MS Word to design documents; and any legal research as appropriate.

J. MEETING WITH SISTER AGENCY ETHICS OFFICIAL

I am scheduled to meet later this week with the newly appointed Chief Ethics Officer for the Chicago Housing Authority to review his recommendations to his Board for changes to the CHA's Ethics Policy. Mayor Emanuel's Ethics Task Force recommended that sister agencies implement as many of their recommendations as feasible, and this meeting is being held pursuant to that recommendation.

K. ILLINOIS FREEDOM OF INFORMATION ACT

Since the last regularly scheduled Board meeting, the office has received two new requests under the Freedom of Information Act. The first was for records about a fire engine; the second was for lobbyists' filings for two lobbyists from 2005-13. We had no responsive records for the fire engine request, and so advised the requestor, but did have 47 responsive records for the second request. They were reviewed by the requestor, who made no copies.

L. LITIGATION REPORT

As will be discussed further in Executive Session, the City was sued by 43 members of the Fraternal Order of Police, seeking a total of \$860 in refunds of late filing fees (for Statements of Financial Interests) charged by the Board from plaintiffs. The suit is pending in Small Claims Court in Cook County.

IV. DEPUTY DIRECTOR'S REPORT

Deputy Director Lisa Eilers reported that pursuant to a request from the Department of Buildings, she prepared a revised Conflict of Interests Policy for its inspectors. She indicated that in drafting best practices for Chicago's Building Department, she reviewed guidelines and policies in place in other jurisdictions.

V. OLD BUSINESS

None.

VI. NEW BUSINESS

None.

The Board asked the attendees present to introduce themselves. They were then asked to step out and informed that they would be called in during the executive session in order to address the Board regarding Statement of Financial Interests matters.

The Board VOTED 6-0 (Hon. Julia M. Nowicki, absent) to adjourn into Executive Session at 3:28 p.m. under 5ILCS120/2(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; and under 2 (c)(11) to discuss:

Litigation, when an action against, affecting or on behalf of the particular public body has been filed and is pending before a court or administrative tribunal, or when the public body finds that an action is probable or imminent, in which case the basis for the finding shall be recorded and entered into the minutes of the closed meeting.

THE RECONVENED OPEN SESSION

After the Executive Session, the Open Session of the meeting reconvened at 5:42 p.m.

VII. MATTERS CONSIDERED BY THE BOARD IN EXECUTIVE SESSION

I. APPROVAL OF EXECUTIVE SESSION MINUTES

The Board VOTED 6-0 (Hon. Julia M. Nowicki, absent) to approve the minutes of the April 18, 2013 meeting in executive session.

II. CASES

A. Advisory Opinion

1. Case No. 13021.A, Fiduciary Duty, City-owned Property, Confidential Information

The Board discussed staff's draft advisory opinion relating to potential Ordinance violations by a City employee who accessed, copied, or printed confidential employee information for reasons unrelated to the employee's work, and the recommendations that the Board determine that the employee violated two sections of the Ordinance and that the employee's department take appropriate steps to terminate her and consult with the Law Department regarding the other employees whose confidential information was improperly accessed. The Board VOTED 6-0 (Julia M. Nowicki, absent) to approve the advisory opinion and staff's recommendations.

B. Query/Consult Summary

2. Case No. 13022.Q, Post-Employment

The Board discussed staff's report about an informal advisory opinion issued that addressed how the Ordinance's post-employment restrictions applied to a City employee who has worked exclusively in an administrative function on a City

program. The Board VOTED 6-0 (Julia M. Nowicki, absent) to approve the informal advisory opinion and staff's recommendations that none of the City's post-employment restrictions (one-year, permanent, and two-year lobbying) applies to this employee's proposed post-City work.

3. Case No. 13023.Q, Post-Employment

The Board discussed staff's report about an informal advisory opinion issued that addressed how the Ordinance's post-employment restrictions applied to a City employee who has worked in various positions. The informal opinion advised the employee that, although he was once personally and substantially involved in the subject matter of his proposed work, that work was too remote in the past and had had changed in the intervening years, and thus did not constitute personal and substantial involvement in the subject matter now. The Board VOTED 6-0 (Julia M. Nowicki, absent) to approve the informal advisory opinion and staff's recommendations that none of the City's post-employment restrictions (one-year, permanent, and two-year lobbying) applies to this employee's proposed post-City work.

C. Statements of Financial Interests

Employees – 2012 Cases to be Closed

- | | |
|---------------------------|----------------------------|
| 4. Case No. 12044.4.FIS | 32. Case No. 12044.70.FIS |
| 5. Case No. 12044.5.FIS | 33. Case No. 12044.73.FIS |
| 6. Case No. 12044.9.FIS | 34. Case No. 12044.74.FIS |
| 7. Case No. 12044.14.FIS | 35. Case No. 12044.77.FIS |
| 8. Case No. 12044.15.FIS | 36. Case No. 12044.80.FIS |
| 9. Case No. 12044.16.FIS | 37. Case No. 12044.85.FIS |
| 10. Case No. 12044.17.FIS | 38. Case No. 12044.88.FIS |
| 11. Case No. 12044.18.FIS | 39. Case No. 12044.92.FIS |
| 12. Case No. 12044.21.FIS | 40. Case No. 12044.93.FIS |
| 13. Case No. 12044.23.FIS | 41. Case No. 12044.98.FIS |
| 14. Case No. 12044.24.FIS | 42. Case No. 12044.103.FIS |
| 15. Case No. 12044.25.FIS | 43. Case No. 12044.104.FIS |
| 16. Case No. 12044.26.FIS | 44. Case No. 12044.106.FIS |
| 17. Case No. 12044.28.FIS | 45. Case No. 12044.107.FIS |
| 18. Case No. 12044.29.FIS | 46. Case No. 12044.108.FIS |
| 19. Case No. 12044.31.FIS | 47. Case No. 12044.112.FIS |
| 20. Case No. 12044.33.FIS | 48. Case No. 12044.114.FIS |
| 21. Case No. 12044.36.FIS | 49. Case No. 12044.120.FIS |
| 22. Case No. 12044.40.FIS | 50. Case No. 12044.127.FIS |
| 23. Case No. 12044.41.FIS | 51. Case No. 12044.133.FIS |
| 24. Case No. 12044.46.FIS | 52. Case No. 12044.135.FIS |
| 25. Case No. 12044.47.FIS | 53. Case No. 12044.136.FIS |
| 26. Case No. 12044.55.FIS | 54. Case No. 12044.137.FIS |
| 27. Case No. 12044.56.FIS | 55. Case No. 12044.140.FIS |
| 28. Case No. 12044.57.FIS | 56. Case No. 12044.141.FIS |
| 29. Case No. 12044.58.FIS | 57. Case No. 12044.142.FIS |
| 30. Case No. 12044.63.FIS | 58. Case No. 12044.144.FIS |
| 31. Case No. 12044.66.FIS | 59. Case No. 12044.146.FIS |

- | | | | |
|-----|------------------------|-----|------------------------|
| 60. | Case No. 12044.149.FIS | 64. | Case No. 12044.162.FIS |
| 61. | Case No. 12044.151.FIS | 65. | Case No. 12044.164.FIS |
| 62. | Case No. 12044.153.FIS | 66. | Case No. 12044.165.FIS |
| 63. | Case No. 12044.157.FIS | 67. | Case No. 12044.166.FIS |

Staff reported that, at the August 2012 Board meeting, these 64 employees (all from one City department) in the cases listed above had been found in violation of the Ordinance for failing to timely file their 2012 Statements of Financial Interests forms. Staff reported that it confirmed that each of them subsequently filed, and that the department advised staff in writing regarding its disciplinary actions. The Board VOTED 6-0 (Julia M. Nowicki, absent) to close the cases listed above.

2013 CASES TO BE OPENED

Attended Meeting

- 68. Case No. 13027.04.FIS
- 69. Case No. 13027.13.FIS
- 70. Case No. 13027.27.FIS
- 71. Case No. 13027.30.FIS
- 72. Case No. 13027.34.FIS
- 73. Case No. 13027.36.FIS
- 74. Case No. 13027.37.FIS

Duplicate Filing

- 75. Case No. 13026.21.FIS
- 76. Case No. 13027.10.FIS
- 77. Case No. 13027.12.FIS
- 78. Case No. 13027.25.FIS

Notice Issues

- 79. Case No. 13026.02.FIS
- 80. Case No. 13026.10.FIS
- 81. Case No. 13026.14.FIS
- 82. Case No. 13027.09.FIS
- 83. Case No. 13027.20.FIS
- 84. Case No. 13027.28.FIS
- 85. Case No. 13027.31.FIS
- 86. Case No. 13027.38.FIS

Further Information Needed

- 87. Case No. 13027.14.FIS
- 88. Case No. 13027.15.FIS

Requests for Leniency

- 89. Case No. 13026.06.FIS
- 90. Case No. 13026.13.FIS
- 91. Case No. 13027.05.FIS
- 92. Case No. 13027.17.FIS
- 93. Case No. 13027.21.FIS

- 94. Case No. 13028.01.FIS
- 95. Case No. 13028.02.FIS
- 96. Case No. 13028.03.FIS

Appointed Officials/Employee – Non Filed

- 97. Case No. 13026.04.FIS
- 98. Case No. 13026.08.FIS
- 99. Case No. 13026.09.FIS
- 100. Case No. 13026.11.FIS
- 101. Case No. 13026.12.FIS
- 102. Case No. 13026.19.FIS
- 103. Case No. 13026.20.FIS
- 104. Case No. 13027.01.FIS
- 105. Case No. 13027.16.FIS
- 106. Case No. 13027.18.FIS
- 107. Case No. 13027.19.FIS
- 108. Case No. 13027.23.FIS
- 109. Case No. 13027.35.FIS

Appointed Officials/Employees – Filed Late

- 110. Case No. 13026.03.FIS
- 111. Case No. 13026.07.FIS
- 112. Case No. 13026.15.FIS
- 113. Case No. 13026.16.FIS
- 114. Case No. 13026.17.FIS
- 115. Case No. 13026.18.FIS
- 116. Case No. 13027.02.FIS
- 117. Case No. 13027.03.FIS
- 118. Case No. 13027.06.FIS
- 119. Case No. 13027.07.FIS
- 120. Case No. 13027.11.FIS
- 121. Case No. 13027.22.FIS
- 122. Case No. 13027.24.FIS
- 123. Case No. 13027.26.FIS
- 124. Case No. 13027.29.FIS
- 125. Case No. 13027.32.FIS
- 126. Case No. 13027.33.FIS
- 127. Case No. 13027.39.FIS
- 128. Case No. 13027.40.FIS
- 129. Case No. 13027.41.FIS
- 130. Case No. 13027.43.FIS

Staff reported that the 44 employees and 19 appointed officials failed to file their 2013 Statements of Financial Interests before the May 31 deadline in the above listed cases. The Board VOTED 6-0 (Julia M. Nowicki, absent) to: (i) dismiss cases 68 through 86; (ii) obtain further information for cases 87 and 88; (iii) reduce fines in cases 89 through 96; and (iv) for the remaining cases, find the persons in violation, with fines accruing daily.

D. Office of Legislative Inspector General

- 131. Case No. 13030.OLIG, Petition to Board
- 132. Case No. 13031.OLIG, Petition to Board

The Board VOTED 6-0 (Julia M. Nowicki, absent) to approve the Office of the Legislative Inspector General opening investigations on the two cases above.

III. OTHER BUSINESS

E. Department Report Regarding Prior Investigation

- 133. Case No. 12060.I, Status Report

The Board had issued an investigative report at its April meeting, in which it determined that a City employee had violated the Ordinance for misusing City-owned property, breaching his fiduciary duty and failing to cooperate with the Board's investigators, and recommending that the employee be terminated. Staff's reported that the employee has filed a grievance and the matter is pending.

At 5:42 p.m., the Board VOTED 6-0 (Julia M. Nowicki, absent) to adjourn the meeting.