

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

August 21, 2013 - 3:07p.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  
Pully Casillas, Staff Assistant

**PRESENT BY TELECONFERENCE**

Hon. Julia M. Nowicki

**I. APPROVAL OF MINUTES**

The Board VOTED 7-0 to approve the Open Session Minutes of the July 17, 2013 meeting.

**II. CHAIR'S REPORT**

Deferred.

**III. EXECUTIVE DIRECTOR'S REPORT**

**A. EDUCATION-CLASSES**

Since the last Board meeting, we have held 2 classes in our offices, on July 25 and August 15. 38 City employees attended. The next classes are scheduled for August 29 and September 12. 38 employees are scheduled.

Two training classes for all of the City's Division and Assistant Division Superintendents from the Department of Streets & Sanitation were held on July 31 and August 1. 53 employees attended. Two classes are being set up for all part-time employees in City Council, on dates to be established in September. At the request of the department's commissioner, 2 classes are being held for the management of the Department of Fleet and Facilities Management—a total of 35 persons—on August 29 and September 9.

**B. ON-LINE TRAINING**

There are currently 31,500 employees and 50 aldermen scheduled to complete the 2013 on-line training. To date, 13,700 have done so—about 47% of the total—and another 150 are in progress.

Five DVD versions of the training were distributed to the Departments of Transportation, Fire and Streets & Sanitation.

On July 11, 2013, 3 employees settled fines assessed against them by the Board earlier in the year for failing to complete their 2012 training. The first settled his \$7,600 plus \$350 costs case for \$1,350; the second received a continuance before an administrative law judge until August 15, 2013 (his fine is \$7,600 plus \$350 costs); the third settled her \$7,000 fine plus \$350 costs case for \$200.

**C. LOBBYISTS**

As of today's date, we have 682 registered lobbyists, and have collected \$ 345,350 in registration fees this calendar year. The last quarterly reporting period ended on June 30, and lobbyists' quarterly reports were due by July 20 (actually July 22, as July 20 is a Saturday). On June 28, our ELF system sent reminder notifications to all registered lobbyists regarding the July 22 deadline. As of today, we have received and processed all but 3 reports from lobbyists. For the second quarter of 2013, there were 3 lobbyists who did not file their activity reports. As provided by §2-156-505 of the Governmental Ethics Ordinance, the Executive Director determined that they violated the Ordinance, fined them \$1,000 per day (which continues until they file, and sent them notice of his determination. Their fines have been referred to the Law Department for collection proceedings. More information regarding these lobbyists will be provided in closed session.

As of today, there remain 3 lobbyists who have not yet trained (or at least provided proof as required that they trained), and 18 who trained late. They were each fined \$200 per day, as provided by the Ordinance, and their fines turned over to the Law Department for collection.

**D. STATEMENTS OF FINANCIAL INTERESTS**

We have received and processed 3,471 Statements of Financial Interests from those persons required to file them by May 31, out of a total of 3,478 required filers. All but 6 appointed officials have filed. This puts the City at 99.9% compliance. These 6 were found to have violated the Ordinance, and their names sent to the Mayor's Office for possible sanctions, including removal from office. Once all "appeals" are exhausted, the Board will make public on its website the names of those determined to have violated the Ordinance for this reason.

**E. INFORMAL ADVISORY OPINIONS**

To date in 2013, we have been asked for and issued 3,651 informal advisory opinions via telephone, email and in person. 70% of these opinions were issued to City employees and elected and appointed officials (about 10% of these to elected officials and department heads). 13% were from lobbyists. Of the remainder, 2/3 were from vendors, political committees or political contributors. Together, the preceding populations make up the "regulated community." The rest were from, in decreasing order of quantity: other, non-City government agencies, the media, and citizens. We have seen a jump in travel-related requests, since the enactment of the City's new travel policy by the Office of Budget & Management, as well as a jump in inquiries relating to

political activity (owing, I surmise, to the publicity generated by the Legislative Inspector General's Semi-Annual Report), as well as nepotism.

**F. UPDATED BROCHURE**

At the request of the Mayor's Office and the Office of Legislative Counsel and Government Affairs, we updated those sections of the brochure for appointed officials that cover ethics rules. The remaining portions cover the Freedom of Information and Open Meetings Acts, and are being updated by the Law Department. This brochure is distributed to all City appointed officials and has been posted on our website.

**G. RULES & REGULATIONS**

Staff released the draft Rules & Regulations for public comment, as well as to the City Council, Mayor's Office, Corporation Counsel, Department of Administrative Hearings and the two Inspectors General. We have received comments from the Department of Administrative Hearings and Inspector General, and met with each of them. We will continue to work on them for submission to City Council. The Rules & Regulations would become effective 45 days after they are submitted to City Council, unless the City Council votes (by majority vote) to disapprove them.

**H. FREEDOM OF INFORMATION ACT**

Since the last regularly scheduled Board meeting, the office received 5 new requests under the Freedom of Information Act. These were: (i) 1 request for records about new business openings in the City; (ii) 1 commercial request for the department's Lexis/Nexis contract (we have none); (iii) 2 requests for a total of 29 statements of financial interests from 4 employees and 1 former alderman (this last was referred to the City Clerk's Office); and 1 for lobbyists' filings for 2 lobbyists in 2013. In response, we produced 13 paper statements of financial interests and advised the requestors to access the others through ELF on the Board's website for the remainder and referred the requestor of lobbyists' forms to our website.

**I. LAWSUIT FILED BY FRATERNAL ORDER OF POLICE**

As reported previously, the City was sued by 43 members of the Fraternal Order of Police, seeking refunds of the late financial interests statement filing fees charged by the Board in 2012. Our attorneys in the Law Department made a jury demand, and the case is scheduled for hearing on the City's motion to dismiss on August 22.

**J. OTHER BUSINESS**

The Executive Director and the Board discussed the number and general content of informal opinions, and the data embedded therein. The Chair proposed that he work with staff to examine how that data might be put to more effective use.

The Board VOTED 7-0 to adjourn into Executive Session at 3:31 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 5:14 p.m.

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

#### **I. APPROVAL OF EXECUTIVE SESSION MINUTES**

The Board VOTED 7-0 to approve the minutes of the July 17, 2013 meeting in executive session.

#### **II. CASES**

##### **A. DISMISSED AND REFERRED COMPLAINT REPORT**

1. Case No. 13038.C, Anonymous, Referral to the Inspector General

Staff reported that it received an anonymous letter alleging that a Chicago Public School ("CPS") teacher was violating the CPS's residency requirement. Staff dismissed the complaint for lack of jurisdiction and referred the matter to CPS's Inspector General's office to take action, as he deems appropriate.

##### **B. STATEMENTS OF FINANCIAL INTERESTS**

###### *2013-Employees-Cases to be Closed*

2. Case No. 13027.16.FIS
3. Case No. 13027.18.FIS
4. Case No. 13027.19.FIS
5. Case No. 13027.23.FIS
6. Case No. 13027.29.FIS
7. Case No. 13027.32.FIS
8. Case No. 13027.33.FIS
9. Case No. 13027.39.FIS
10. Case No. 13027.40.FIS

Staff reported that four (4) Department of Water Management and five (5) Streets and Sanitation employees were found in violation of the Ethics Ordinance for failing to

timely file their 2013 Statements of Financial Interests (“FIS”) form at the June 19, 2013 Board meeting. Staff confirmed the subsequent filing of the FIS forms and received reports, pursuant to Ordinance §2-156-390, from both departments regarding its actions. The Board VOTED 7-0 to close the cases and adopt a sample draft letter advising each department and employee that it has closed the cases listed above.

**C. OFFICE OF LEGISLATIVE INSPECTOR GENERAL**

11. Case No. 13039.OLIG, Petition for Permission to Investigate
12. Case No. 13040.OLIG, Petition for Permission to Investigate

The Board VOTED 7-0 to grant permission to the Legislative Inspector General to investigate with respect to the above-listed cases.

13. Case No. 12009.OLIG, Final Report
14. Case No. 12031.OLIG, Final Report
15. Case No. 12034.OLIG, Final Report
16. Case No. 12062.OLIG, Final Report
17. Case No. 13009.OLIG, Final Report
18. Case No. 13011.OLIG, Final Report
19. Case No. 13014.OLIG, Final Report

In these seven cases, the Board discussed at length the legal and procedural issues involved in adjudicating the completed investigative reports that the LIG presented. The Board agreed that it should take more time to study the reports and consider further steps at the September meeting.

**III. OTHER BUSINESS**

None.

At 5:21 p.m., the Board VOTED 7-0 to adjourn and reconvene in executive session pursuant to the above recited statutory language.

At 5:27 p.m., the Board VOTED 7-0 to adjourn the meeting.