

BOARD OF ETHICS
OPEN SESSION MINUTES

November 25, 2013 - 3:16 p.m.
740 North Sedgwick, Suite 500

BOARD MEMBERS PRESENT

Stephen W. Beard, Chair
Russell F. Carlson
Mary T. Carr
Hon. Michael J. Gallagher

Present via teleconference

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

BOARD MEMBER ABSENT

Frances R. Grossman
Daisy S. Lezama

I. APPROVAL OF MINUTES

The Board VOTED 5-0 (Daisy S. Lezama and Frances R. Grossman, absent) to approve the Open Session Minutes of the October 23, 2013 meeting.

II. CHAIR'S REPORT

Deferred.

III. EXECUTIVE DIRECTOR'S REPORT

A. EDUCATION-CLASSES

Since the last Board meeting, we have held 3 classes in our offices, on October 24 and November 7 and 21. 44 employees attended. There is one more class scheduled for 2013: on December 5. 14 employees are scheduled to attend.

The class schedule for 2014 has been set: there will be 23 classes pre-scheduled for persons required to attend.

On October 29, the Executive Director served as a guest speaker on ethics in City government at an undergraduate class in the Political Science department at Loyola University; and on November 19, as a guest speaker at the University of Chicago's Divinity School.

On December 12, staff will conduct a class for the Affirmative Action Advisory Board, at the request of the Chief Procurement Officer.

On December 13, staff will conduct a class for the Commissioners and service provider of SSA #51, the Chatham Small Business Association.

B. ON-LINE TRAINING

There are currently 30,437 employees and 50 aldermen scheduled to complete the 2013 on-line training. To date, 28,691 employees and 15 aldermen have done so—about 94 % of the total—and another 42 are in progress. Reminders are being sent via email this week to all department heads, aldermen and ethics officers (and ethics officers are being contacted by telephone as well) with the names of those who have yet to complete their training.

C. 2014 Budget

On October 31, we appeared before the City Council's Committee on Budget and Operations. Our 2014 budget appropriation reflects a .7% increase from last year.

D. LOBBYISTS

As of today's date, we have 669 registered lobbyists, and have collected \$373,350 in registration fees this calendar year. Lobbyists' quarterly activity reports were due Monday, October 20. I am pleased to report that we have no delinquent lobbyists. All the information reported has been updated to the website.

E. STATEMENTS OF FINANCIAL INTERESTS

We have received and processed 3,509 Statements of Financial Interests from those persons required to file them in 2013. Of the 3,478 required to file by May 31, 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. Staff has been in frequent communication with the Mayor's Office on this matter.

F. PROPOSED AMENDMENTS TO THE ORDINANCE

At the November 20 City Council meeting, the Omnibus Management Ordinance was submitted. It includes a clarification to §2-156-080(b). In addition, a proposed amendment to §2-156-018 was also proposed by the Mayor's Office. It would require every City contractor to report to the appropriate Inspector General conduct that the contractor knows or should reasonably know to involve corrupt or other unlawful activity by its employees or others concerning performance of City work or dealings with the City. Knowing failure to report this would be an act of default under the contract. The Executive

Director has given several briefings regarding this Ordinance. Amendments covering the campaign contribution limitations are currently in the City Council's Rules Committee.

G. INFORMAL ADVISORY OPINIONS

To date in 2013, we have been asked for and issued 5,509 informal advisory opinions via telephone, email and in person. 80% of these were issued to City employees and officials (about 10% of *these* to elected officials and department heads). 15% were issued to lobbyists. The remainder were for former employees or officials, attorneys, vendors or other business entities, other government agencies, political committees or political contributors. Fewer than 1% have come from the media.

We continue to see an increase in travel-related requests, since the enactment of the City's new travel policy by the Office of Budget & Management, and jumps in inquiries relating to political activity, use of City property, and solicitation of donations on behalf of third parties.

97 of these were travel-related inquiries from employees seeking approval of business travel. 29 were inquiries about political activity; 19 concerned use of City property (e.g., whether City employees may write references on their City letterhead and/or using their City titles); and 12 concerned solicitation by City officials or employees of donations on behalf of parties other than the City (charities or other entities organized under §501 of the Internal Revenue Code of 1954). Staff is in the process of collating and analyzing all informal advisory opinions issued in the past year by department and position of the requestor, and whether by telephone, email, or face-to-face inquiry.

H. ANNUAL GIFTING GUIDE

The Board's annual guide to holiday gift-giving and receiving was published on November 15 and sent to all City ethics officers, department heads, aldermen, and employees with email addresses.

G. UPDATED TRAINING

An updated training program for persons and business entities that have or are seeking contracts with the City has been posted on our website.

H. RULES & REGULATIONS

Staff continues to work on the draft Rules & Regulations that were released for public comment, and are pushing toward a final draft 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.

K. 2013 COGEL CONFERENCE

From December 7 through 11, the Executive and Deputy Director will attend the 35th annual Council on Governmental Ethics Ordinance Laws in Quebec City. We anticipate that more than 300 jurisdictions in the U.S. and Canada will be represented. The Executive Director will again be a presenter at a session updating developments in ethics (technology, cases, law changes).

L. FREEDOM OF INFORMATION ACT

Since the last regularly scheduled Board meeting, the office has received no new requests under the Freedom of Information Act.

IV. DEPUTY DIRECTOR'S REPORT

None.

V. OLD BUSINESS

1. Case No. 13025.A, Reconsideration

The Board deferred consideration in order to review the proposed staff recommendations in executive session.

VI. NEW BUSINESS

None.

The Board VOTED 5-0 (Daisy S. Lezama and Frances R. Grossman, absent) to adjourn into Executive Session at 3:23 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

At 4:30 p.m., the Board first voted to reconvene into open session and then, immediately, to properly adjourn again into Executive Session. At 4:40 p.m., the Board again voted to reconvene into open session.

VII. MATTERS CONSIDERED BY THE BOARD IN EXECUTIVE SESSION

I. APPROVAL OF EXECUTIVE SESSION MINUTES

Approval was given of the executive session minutes of the October 23, 2013 meeting by a 5-0 vote (Daisy S. Lezama and Frances R. Grossman, absent) in executive session.

II. CASES

A. OFFICE OF LEGISLATIVE INSPECTOR GENERAL

1. Case No. 13057.OLIG, Petition to Investigate

The Board VOTED 5-0 (Daisy S. Lezama and Frances R. Grossman, absent) to grant the petition from the Legislative Inspector General in order for him to investigate the above-listed case.

B. QUERY/CONSULT SUMMARY

2. Case No. 13054.CNS, Conflict of Interests

The Board VOTED 5-0 (Daisy S. Lezama & Frances R. Grossman, absent) to follow the staff's recommendation in this matter and direct the Executive Director to inform an alderman to self-report to the Legislative Inspector General prima facie violations of the conflicts of interests provisions that occurred after July 1, 2013, and to advise the alderman to report several apparent violations of the same section that occurred within the past two years but prior to July 1, 2013.

III. OLD BUSINESS

3. Case No. 13025.A, Reconsideration

The Board VOTED 5-0 (Daisy S. Lezama and Frances R. Grossman, absent) to grant the Request for Reconsideration. The Board asked that staff revise the advisory opinion the Board considered at its September meeting to reflect the new facts raised by the subject of the opinion, but to indicate that it is troubled by the extent to which his recent statements contradict those he originally made.

The Board VOTED 5-0 (Daisy S. Lezama and Frances R. Grossman, absent) to cancel the December Board meeting.

At 4:42 p.m., the Board VOTED 5-0 (Daisy S. Lezama and Frances R. Grossman, absent) to adjourn the meeting.