

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

March 18, 2015 - 3:06 p.m.  
740 North Sedgwick, Suite 500

**BOARD MEMBERS PRESENT**

Stephen W. Beard, Chair  
Russell F. Carlson  
Mary T. Carr  
Frances R. Grossman  
Dr. 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  
Pauilly Casillas, Staff Assistant

**I. APPROVAL OF MINUTES**

The Board VOTED 6-0 to approve the Open Session Minutes of the February 18, 2015 meeting.

**II. CHAIR'S REPORT**

None

**III. EXECUTIVE DIRECTOR'S REPORT**

**A. Re-appointment of Daisy S. Lezama**

I am pleased to report that Board member Daisy Lezama's re-appointment to the Board (for a second four term that will expire July 31, 2018) was confirmed by the full City Council at this morning's meeting.

**B. Education-Classes**

Staff continues to work with the Department of Innovation & Technology to replace the system for scheduling people for 4-year classes. In the meantime, 18 attended on January and on February 19 and March 3. 24 are scheduled for March 19 and March 31.

On February 23, staff conducted a 90 minute training session for all new SSA Commissioners.

On March 30, staff will meet with undergraduates and 2 instructors in business and public administration from Ohio Northern University in Ada, Ohio.

On April 13, staff will meet with a delegation of government corruption officials from India, at the request of the Mayor's Office.

**C. On-line Training**

109 lobbyists have completed the all-new 2014-2015 lobbyist program. Their deadline is June 30.

The all-new 2015 all-employee training program was posted this week.

All employees and officials have now completed the 2014 mandatory training, as required.

**D. Ongoing Investigative Record**

Last week, we posted on the Board's website the ongoing investigative record, showing the status of every completed investigative report brought to the Board by both inspectors general since January 1, 2012, and the status of every petition to commence an investigation brought by the Legislative Inspector General to the Board. The record is consistent with the confidentiality provisions of the Ordinance.

**E. Lobbyists-Regulation and Enforcement**

Currently, 548 lobbyists registered for 2015, and the agency has collected \$266,026 in lobbyists' registration fees. The next regular reporting period ends on March 31; quarterly activity reports are due April 20<sup>th</sup>. On April 1, the ELF system will send out reminder notices to all registered lobbyists of this deadline.

**F. 2015 Statements of Financial Interests from Employees and Officials**

On March 1, 2015, 3,293 employees and officials were, as required by law, notified via email of their requirement to file 2015 Statements of Financial Interests. Staff also sent lists of filers to each respective department head, alderman and ethics liaison. To date, **1,031** employees and officials have filed their forms. Updated lists of filers will be sent to each departmental and aldermanic ethics liaison on April 1, and again on May 1 and May 15. The filing deadline is May 31.

**G. Meeting with Sister Agencies' Ethics Officers**

The most recent meeting of ethics officers from the Chicago Public Schools, Chicago Transit Authority, Chicago Park District, Chicago City Colleges, and the Cook County Board of Ethics was held here on March 10.

## **H. Advisory Opinions**

Since the February 2015 meeting, the agency issued 285 confidential advisory opinions (in addition to those formal opinions issued or approved by the Board).

- The leading categories in this period (in descending order) were political activity, travel, campaign financing, and use of City property.
- 48% of these were from City employees in administrative or management positions, 12% from non-administrative or managerial employees, 19% from lobbyists, 2% from City vendors or other businesses, 4% from department heads, 10 % from City elected officials (or their personal aides calling on their behalf), and the remainder from City appointed officials, members of the public, the media, and other government agencies.
- 52 % came via email; 47 % via telephone; the remainder via walkins.
- Employees or officials from every City department (including the City Council) are represented, with the most numerous ones, in descending order, coming from employees or officials in: Office of the Mayor, City Council, Police, Chicago Public Library, Public Health, Law, and Inspector General or Legislative Inspector General.

Staff continues to work with the Department of Innovation & Technology on a “beta” version of a secure, searchable database for all such informal advisory opinions. This will enable Board staff to receive instantaneous reports of opinions issued by topic, department, title, date, etc.

## **I. Freedom of Information Act**

Since the last regularly scheduled Board meeting, the office has received 5 new requests under the Freedom of Information Act: for statements of financial interests; prior FOIA requests, responses and communications directed to an email address; lobbyist’s filings; and personnel information. We provided 19 pages of statements of financial interests; had no responsive records on the prior FOIA requests and related requests; provided 1 page of personnel information but redacting information on gender; and extended the request for lobbyist’s filings.

## **IV. OLD BUSINESS**

None

**V. NEW BUSINESS**

None

The Board VOTED 6-0 to adjourn into Executive Session at 3:08 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.

In addition, The Board voted to adjourn into Executive Session under 5 ILCS 120/2(c)(4) to hear and discuss evidence or testimony in closed hearing as specifically authorized pursuant to Governmental Ethics Ordinance Section 2-156-385 and the Board's Rules and Regulations, 4-1 and 4-5, as amended, effective October 23, 2014, presented to a quasi-adjudicative body, as defined in the Illinois Open Meetings Act, provided that the body prepares and makes available for public inspection a written decision setting forth its determinative reasoning.

At 4:56 p.m., the Board VOTED 6-0 to reconvene into open session.

**VI. MATTERS CONSIDERED AND ACTED UPON BY THE BOARD IN EXECUTIVE SESSION**

**I. APPROVAL OF EXECUTIVE SESSION MINUTES**

The Board approved the Executive Session minutes of the February 18, 2015 meeting by a VOTE of 6-0.

**II. CASES**

**A. Query and Consult Summary**

1. Case No. 15015.Q, Travel

Staff reported that an elected official requested an advisory opinion addressing whether the Ordinance allows him to accept travel expenses offered by a public affairs organization to attend its policy conference. He emailed us the conference program, and it shows that other attendees and conference speakers included legislators at all levels of government. Based on this information, and on prior Board cases involving travel by elected officials, this official was advised that this trip conforms with the requirements of §2-156-142(10) and (12), and that the Ordinance allows acceptance of these expenses, with the following conditions: (i) he may accept only reasonable travel expenses related to the business purpose of the trip, such as coach airfare, ground transportation, lodging, course or meeting registration fees (if applicable), and meals included for all participants, but may not accept any gifts or honorarium for his participation; and (ii) he must report to our office his acceptance of these expenses within 10 days of the event or meeting. We also noted that the official is not required to report this trip on the 2016 Statement of Financial Interests. That is because, the Board has recognized in these prior cases,

reimbursement of business-related travel expenses is not a “gift,” but must be reported separately as educational or reasonable hosting expenses offered as reimbursement for attendance or participation in one’s official capacity.

2. Case No. 15014.CNS, Political Activity

Staff reported that a City elected official asked whether funds from a political committee could be used to pay for a website that, the official said, was a ward site, meaning City business. The official was advised that the use of campaign funds for any purpose is governed by state law, and to seek advice from an election attorney or directly from the Illinois State Board of Elections. The website had the City seal on it, and had links whereby the user could “request a service,” “attend ward night,” and read the “latest news,” including a report entitled “residents mull options with home equity program.” It also stated “Paid for by [the official’s political committee]. However, in the page’s upper right corner, it had a DONATE box. When clicked, that box took the user to a page where the user could make a political contribution to the [Political Committee name]. The official was immediately contacted and notified that the website (even though it is paid for with campaign funds) has the indicia of an official City/ward site, including the City seal. Thus, this inclusion of a political donation button on the site constituted an improper use of City-owned property and gave the impression that the City officially supports the official’s campaign, in violation of the §§2-156-060 (City-owned property) and 2-156-135(b) (which provides that no City official shall “intentionally misappropriate any city property or resources of the city in connection with any prohibited political activity ...”). The official was also informed that that, under §2-156-070(c) of the Ordinance, the matter must be before the Board at its next meeting, and the official was also advised to stop the violative conduct and correct the apparent violation. A check of the same website the very next day showed that the DONATE button had been removed, and the official called that morning and informed the agency that it was taken off the site the evening before.

The Board of Ethics considered whether this conduct violated the Ordinance, and if so, whether the violation was “minor” or “non-minor.” After deliberating, the Board VOTED 6-0 to determine that this conduct (the inclusion of the DONATE button on this website) violated the Ordinance. It then VOTED 5-1 to determine that this inclusion of the DONATE button on the website constituted a “minor” Ordinance violation, and to direct staff, pursuant to Ordinance §2-156-070(b), to send the official a confidential letter, admonishing the official of the violation, and that inclusion of the City seal and other indicia of an official City or ward website, including links to information about constituent services, ward events, community and/or real estate development or permit information or news, means that the site must be kept “non-political,” and contain no links on it to any official political committee or links whereby a user can donate to that committee. Inclusion of such political information—even though the website is funded with campaign monies and includes any legally required identification or disclaimer that it is so funded—constitutes an improper use of City property for political purposes and creates the impression that the City officially endorses the official.

**B. Office of Legislative Inspector General**

*Petitions to Initiate Investigations*

3. Case No. 15016.OLIG [2015OLIG0002; 2015OLIG0006]
4. Case No. 15017.OLIG [2015OLIG0022]
5. Case No. 15018.OLIG [2015OLIG0018]

The Board VOTED 6-0 to approve the three petitions from the Legislative Inspector General to initiate investigations.

*Meetings Pursuant to §2-156-385 on Probable Cause*

6. Case No. 12031.OLIG [2012OLIG0009].

Having met with the alderman who was the subject of this investigation and the alderman's attorney, and heard both the alderman's and the attorney's statements, and received answers to questions posed by the Board and staff, and reviewed the materials presented by the attorney, the Board VOTED 3-3 to sustain its original finding of probable cause and send the matter to a merits hearing to pursue an action for a fine, pursuant to §2-156-385(5). That motion having failed, the Board then VOTED 5-0 (with one abstention) to sustain its original finding of probable cause and attempt to settle this matter by a fine pursuant to §2-156-385(4)(i).

7. Case No. 13046.OLIG [2012OLIG0026]

The Board VOTED 6-0 to continue the §2-156-385(3) meeting between it and the subject alderman until the next scheduled Board meeting of April 22, 2015.

**C. Dismissed and Referred Complaint Report**

8. Case No. 15011.C, No Jurisdiction
9. Case No. 15012.C, No Jurisdiction

The Board reviewed the staff's reports on these matters.

**III. OTHER BUSINESS**

None

At 5:05 p.m., the Board VOTED 6-0 to adjourn the meeting.