

**CITY OF CHICAGO
BOARD OF ETHICS**

In the Matter of:)	
)	
Michael Acciari)	Case No. 151695.IG
Respondent)	
)	

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into between the Chicago Board of Ethics (“Board”) and Michael Acciari (“Respondent”), a City employee, pursuant to §2-156-385(4) of the City of Chicago Governmental Ethics Ordinance (“Ordinance”). On January 20, 2016, the Board determined that there was probable cause to conclude that the Respondent violated the Ethics Ordinance based on the evidence adduced in an investigation conducted by the Office of the Inspector General (“OIG”) on this matter. The parties agree to the following terms to resolve this matter.

RECITATION OF RELEVANT FACTS

- 1) At all times relevant to this matter, Respondent was an employee of the City of Chicago.
- 2) Respondent began his employment for the City of Chicago in or about May 1985. From 1985 through 1990, he was employed in the Office of Alderman Patrick O’Connor as an Assistant Secretary and Legislative Aide. He was then employed by the Department of Housing from 1991 until moving to the Department of Streets and Sanitation (“DSS”) in 2000. Respondent has been a Division Superintendent for DSS since June 2012.
- 3) From 2006 to the present, Respondent has been required to file a Statement of Financial Interests (“FIS”) form with the Board of Ethics. FIS forms are “conflict of interest” disclosures provided for in §2-156-150 *et seq.*, of the Ordinance. Respondent has filed every year from 2006 to the present as required, and has answered “no” to question 4 on his FIS forms from 2006 through 2014.
- 4) Respondent is married to Melissa Acciari. She is the Executive Director of the Lincoln Bend Chamber of Commerce (“the Chamber”) and has been employed there for more than 10 years.
- 5) The Chamber is a grantee of the City, and has received City funding from 2005 through 2014 ranging from about \$54,000 to \$61,750 per year. Mrs. Acciari has been employed by the Chamber for more than 10 years, and her annual salary for that work has exceed \$5,000 in each year since then.

- 6) Respondent and his wife file joint income tax returns, which are prepared by a tax professional from documentation that the Acciaris provide. Respondent signs the completed returns.
- 7) Respondent has completed his annual ethics training every year. In 2009, the Board covered the topic of completing FIS forms on its all-employee mandatory online ethics training course. Mr. Acciari completed that course on July 29, 2009.

STATEMENT OF RELEVANT LAW

- 8) The specific issue in this case is Respondent's answer to FIS question 4 on the FIS forms he filed from 2006 through 2014. Question 4 reads, "In [the previous year], did your spouse or domestic partner* receive compensation in excess of \$5,000 for professional*, business or other services rendered to a person* or entity doing business* with the City of Chicago, the Chicago Transit Authority, Board of Education (including the Chicago School Reform Board of Trustees), Chicago Park District, Chicago City Colleges, or Metropolitan Pier and Exposition Authority?"

If the response to the question is "yes," then the filer must also provide: (i) the Name and Address; (ii) description of the Services Rendered; and the (iii) Agency with Which [the] Person Did Business.

As defined in the Ordinance, "[c]ompensation means money, thing of value or other pecuniary benefit received or to be received in return for, or as reimbursement for, services rendered or to be rendered"; and "[d]oing business means any one or any combination of ... contracts to, from or with the City... in an amount in excess of \$10,000.00 in any 12 consecutive months." §§2-156-010(f) and (h).

BOARD CONCLUSIONS AND DETERMINATIONS

- 9) At its January 20, 2016 meeting, based on the evidence adduced in the record of this matter, including the investigative report issued by the OIG, the Board reached the following factual conclusions:
 - a) Respondent is a required FIS filer;
 - b) Respondent has filed FIS forms from 2006 to the present;
 - c) Respondent has been married to his wife during the entire period in question;
 - d) Respondent's wife has been employed by the Chamber for more than 10 years;
 - e) The Chamber had contracts with the City to receive more than \$10,000 per year from the City in the years 2006 to the present, and thus was "doing business with the City" in each of these years, as that term is defined in the Ethics Ordinance;
 - f) Respondent's wife received more than \$5,000 in compensation from the Chamber for her employment with it in each of these years; and
 - g) Respondent, after consulting with legal counsel at the time, answered "No," on Question 4 on the FIS forms from 2006 to 2014, thereby indicating that his spouse did

not receive compensation in excess of \$5,000 for services rendered to an entity doing business with the City of Chicago.

- h) For the FIS forms the Respondent filed in years 2006 through 2013, the standard for finding a violation for furnishing false or misleading information would have required a finding of having furnished false or misleading information with the intent to mislead. For forms filed in 2014 and after, City Council amended the standard with the effect that a filer such as the Respondent would violate the Ordinance for furnishing false or misleading information by knowingly furnishing false or misleading information on his forms.
 - i) The record before the Board showed that no evidence had been adduced to support a finding that Respondent had furnished false or misleading information on his FIS forms with the intent to mislead, and the Board did not make a finding that there is probable cause to conclude that Respondent had furnished false or misleading information on his FIS forms with the intent to mislead.
 - j) However, based on the record before the Board, the Board found that there was probable cause to conclude that the Respondent violated the Ordinance by knowingly furnishing false or misleading information on the form he filed in 2014.
- 10) At its January 20, 2016 meeting, the Board determined that there was probable cause to conclude that the Respondent violated Ordinance §2-156-150.

TERMS OF THE SETTLEMENT AGREEMENT

The above fact recitation, statement of law and Board conclusions and determinations are incorporated into and made a part of this Agreement.


- 11) The parties agree to enter into this Agreement to resolve all factual and legal issues that arose in this matter and to reach a final disposition without the necessity of an evidentiary hearing, pursuant to §2-156-392 of the Ethics Ordinance, to determine whether the Respondent violated the Ordinance.
- 12) Respondent acknowledges that, from the record before it, the Board has determined that there is probable cause to conclude that he knowingly furnished false or misleading information, in violation of §2-156-150, by failing to disclose, on his 2014 FIS, that his wife received compensation of more than \$5,000 from a person doing business with the City. Respondent agrees to refile his FIS forms from 2008 to 2014 to reflect the information as requested by the Board.
- 13) Respondent maintains that he has acted at all times pertinent to this matter in a manner which he believed in good faith was in compliance with the requirements of the Governmental Ethics Ordinance, and the Board has not made a final determination otherwise.
- 14) Pursuant to §2-156-385(4), the Board may seek to settle the matter by fine.

- 15) Pursuant to §2-156-465(b)(7), the Board has the authority to impose a fine of between \$500 and \$2,000 for a violation of this chapter, and the Board determined that it would be appropriate to seek to settle this matter by assessing a \$2,000 fine against the Respondent.
- 16) In recognition of the foregoing, Respondent agrees to pay a fine of TWO THOUSAND AND 00/100 DOLLARS (\$2,000.00) to the Board within thirty (30) days of this Disposition, which shall be the date of the final execution, by money order, cashier's, or certified check, made payable to the "Board of Ethics," and that, if the Board has not received such amount by that date, Respondent shall pay interest of nine percent (9%) per annum on the unpaid balance until paid-in-full; provided, however, that no interest shall be due and owing that is greater than provided for in 815 ILCS 205/4.
- 17) Respondent acknowledges that this Agreement is a public and final resolution of the potential violations and recommendations made by the OIG in its investigative report as presented to the Board of Ethics in this matter and that the Board shall make it public pursuant to §2-156-385(4), and, except as may be provided by applicable law, all writings or records with respect to the settlement agreement or its negotiations in the Board's possession will remain confidential.
- 18) Respondent confirms that he has entered into this Agreement freely, knowingly and intentionally, without coercion or duress, and after having had the opportunity to be represented by an attorney of his choice, accepting all the terms and conditions contained herein without reliance on any other promises or offers previously made or tendered by any past or present representative of the Board, and that he fully understands all the terms of this Agreement. The terms of this Agreement are contractual and not mere recitals. If any of the provisions of this Agreement shall be found invalid or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- 19) Respondent understands and voluntarily waives and assigns, on his and his successors' behalf, any and all: (i) procedural rights under the City's Municipal Code, including a merits hearing pursuant to §2-156-392 of the Ethics Ordinance, or to subpoena witnesses to testify, confront and cross-examine all witnesses; and (ii) rights to commence any judicial or administrative proceeding or appeal before any court of competent jurisdiction, administrative tribunal, political subdivision or office of the State of Illinois or the United States arising out of the Respondent's Statements of Financial Interests forms filed with the Board of Ethics from 2006-2014.
- 20) Respondent releases and holds harmless the Board and its staff from any potential claims, liabilities, and causes of action arising from the Board's enforcement and settlement of the violation described in the Agreement and to contest the lawfulness, authority, jurisdiction, or power of the Board in imposing the sanction which is embodied in this Agreement, and the right to make any legal or equitable claim or to initiate legal proceedings of any kind against the Board, or any members or employees thereof relating to or arising out of this Agreement or the matters recited herein.

- 21) Once executed by Respondent, the Board staff shall submit this Agreement to the Board at its next regularly scheduled meeting. The Board must determine by a majority vote that it approves the Agreement and the Board must execute and date the Agreement before the Agreement becomes effective.
- 22) The parties agree that this Agreement shall become invalid in the event that the Board refuses to approve it. Respondent acknowledges that if the Agreement is not approved or executed by the Board that the Board may seek to proceed to a hearing on the merits, pursuant to §2-156-392 of the Ethics Ordinance. Respondent further agrees that no member of the Board or its staff shall be disqualified from participating in any subsequent proceedings in this matter held pursuant to §2-156-392 of the Ethics Ordinance. If this Agreement is not approved by the Board, the parties agree that no statements or representations of any kind made in the course of negotiating this agreement will be used by either party for the purpose of establishing liability at any future hearing or proceeding.
- 23) Respondent agrees that failure to comply with the terms of this Agreement constitutes a breach of the Agreement and that the Board can proceed to a hearing on the merits or take any other action as permitted by law.
- 24) In consideration of Respondent's full compliance with all of the terms pursuant to this Agreement, the Board waives any further penalties or fines against Respondent for any further proceedings arising out of the investigation and/or recommendations described in this Agreement.
- 25) The Agreement contains the entire agreement between the Board and the Respondent and it may not be modified unless the modified Agreement is re-executed and re-dated by both parties. This Agreement is entered into in the State of Illinois and shall be construed and interpreted in accordance with its laws.
- 26) This Agreement shall not be effective until all parties have affixed their signature below.

Dated as written above and executed below.

FOR THE CITY OF CHICAGO BOARD OF ETHICS



 Steven I. Berlin, Executive Director

12 April 2016

 Date



 Stephen W. Beard, Board Chair

13 April 2016


 Date

FOR THE RESPONDENT



Michael Acciari, Respondent

4-12-2016
Date



David Weisman
Counsel for the Respondent

4-12-2016
Date