

A GUIDE TO ETHICS FOR CITY EMPLOYEES AND ELECTED OFFICIALS



BOARD OF ETHICS

RAHM EMANUEL, MAYOR
STEPHEN W. BEARD, CHAIR

The City's Governmental Ethics Ordinance covers the conduct of all City employees and officials. It addresses conflicts of interest, working outside jobs, accepting gifts, employing relatives, engaging in political activity, and other topics. It restricts what you can do in and after your City service.

Mayor Emanuel introduced important changes to the Ordinance, and the City Council adopted them. It is important to understand the ethics restrictions generally, so that you can spot "ethics issues" and obtain advice where appropriate.

This guide outlines key restrictions. It is not intended to be all-inclusive, provides summary information only, and is not a substitute for confidential Board advice.

If you have questions about whether an action you are considering complies with the City's ethics laws and standards, please ask for a confidential advisory opinion from the Board of Ethics. The Board is an important resource. Please use it.

ADVISORY OPINIONS

Any City employee or official or other person subject to the Ordinance may request a confidential Board advisory opinion. The Board can render binding opinions *only* as to *future*

conduct. If someone discloses a *past* violation that, the Board concludes, is not minor, the person must report it to an Inspector General.

ASPIRATIONAL CODE OF CONDUCT

As a City employee or official, you are subject to an aspirational code of conduct. It requires, among other things, that you: disclose waste, fraud, abuse and corruption to the appropriate authorities; give a full day's work for a full day's pay; and act impartially in performing your duties so that no private organization or individual is given preferential treatment.

FIDUCIARY DUTY

☞ You **owe a fiduciary duty** to the City at all times in the performance of your public duties.

USE OF CITY PROPERTY

☞ You **may not use** or permit the use of **City-owned property for any unauthorized purpose**, including prohibited political activity.

GIFTS

You or your spouse/domestic partner or any family members living with you **may not solicit or accept**:

- ☞ any gift, item or service given **anonymously**;
- ☞ any gift, item or service (even lunch) if it is understood that the purpose is **to influence your official actions or decisions**;
- ☞ any single gift or combination of gifts **worth more than \$50 from a single source in a calendar year**;
- ☞ any gift from another City employee or official over whom you are an official **superior** (there are exceptions, such as items worth less than \$10, and gifts given for infrequent life occasions, like weddings);
- ☞ **anything of value in return for your advice or assistance on matters concerning City business**, unless that advice or assistance is wholly unrelated to your City responsibilities.

There are some **exceptions**:

- anything for which you pay fair market value;
- anything offered to the public on the same terms, like sales promotions;

- ▶ gifts from your relatives;
- ▶ gifts from your personal friends, unless you have reason to believe the gifts were offered to you because of your City position;
- ▶ gifts solicited or accepted on the City's behalf;
- ▶ reasonable hosting expenses related to official City business, if offered by the sponsor or host, and you report them to the Board within 10 days of acceptance;
- ▶ materials or travel expenses related to public or governmental educational purposes, if the Board approves it, and you report it to the Board within 10 days of your return; or
- ▶ gifts offered to you because of your outside, non-City business or employment.



HONORARIA

☞ **Honoraria are prohibited:** you may not accept any gift or money for participating in speaking engagements, lectures or discussion forums in the course of your City service. Make sure you turn down or immediately return any checks or other things of value offered or sent to you in exchange for your speech.

But, you may accept:

- ▶ **honoraria** for speaking engagements that are **not related to your City job**; or
- ▶ **reasonable travel expenses to the location of your speech**, even if it's related to your City job; these can include air, ground transport, lodging and food; but you must receive advance clearance from your department head (or alderman) and from the Board of Ethics, and you must report your travel in writing to the Board of Ethics within 10 days of your return.

REPRESENTING OR "LOBBYING" FOR NON-CITY PERSONS

☞ You **may not represent or derive any compensation from representing** any person

(like a non-profit, a company, or a friend) **before a City agency in a formal or informal meeting or transaction**. This does not prevent you from performing your official City duties.

☞ You may not derive any income or compensation from representing any person in any judicial or quasi-judicial proceeding if the City is a party and the person's interest is adverse to the City's.

☞ A City elected official may not contact any other City official or employee regarding any matter involving a person or organization with whom the elected official has a business relationship that creates a financial interest, or from whom or which the official has derived or expects to derive compensation or income.

POST-EMPLOYMENT RESTRICTIONS

☞ **For one year after you leave City service**, you may **not** work on a transaction involving the City if, while in City service, you were personally and substantially involved in its subject matter.

☞ **For two years after leaving City service**, non-clerical Mayoral staff members and department heads **may not lobby** any City department, employee or official, and other Shakman-exempt employees may not lobby their former department; **for one year after leaving City service**, aldermen **may not lobby** any City department, employee, or official.

☞ If you **exercise management authority over a City contract**, you may **not** assist anyone other than the City (such as a new client or employer) with **that contract**.

☞ If you **participated personally and substantially or were counsel of record** in a judicial or quasi-judicial proceeding involving the City, you may not assist anyone other than the City in that proceeding.

☞ You may not **negotiate the possibility of future employment** with any person (except another government agency) that has a **matter pending before you**.

REVERSE REVOLVING DOOR RESTRICTION

☞ **For two years** after starting your City service, you may not participate in a decision-making capacity in any matter that benefits your immediate pre-City employer or client whom you represented or to whom you consulted or on whose behalf you lobbied.

LOANS FROM LOBBYISTS AND CITY CONTRACTORS

☞ You, your spouse/domestic partner, or any entity in which either of you have an ownership interest worth more than \$1,000, **may not apply for, solicit, accept, or receive loans from a person doing or seeking to do business with the City**, or any lobbyist, except for ordinary market rate loans negotiated at arm's length and made by financial lenders.

CONTRACTING WITH THE CITY

You may **not have a financial interest** (meaning an ownership interest that is worth more than \$1000) in

▶ your own name, or in the name of any other person (such as a company or firm in which you have an ownership interest) **in any City contract, work, sale or business** (except for participation in certain designated housing assistance programs)

▶ the purchase of City property, unless it is sold through a process of competitive bidding following public notice.

DUAL EMPLOYMENT

☞ City Personnel Rule XX provides that a City employee **may not engage in a profession, business, trade, investment, occupation or other activity that results in a conflict of interest** with City employment.

☞ It also requires a City employee **to obtain written permission from his/her Department head** to engage in dual employment/outside business activities.

DUTY TO REPORT CORRUPT OR UNLAWFUL ACTIVITY/WHISTLEBLOWER PROTECTION

City employees, officials and contractors must report conduct that they know or should know involves corrupt or other unlawful activity concerning the City to the appropriate Inspector General. The Ordinance provides explicit protection for those who report such violations in the "whistleblower protection" provisions.

RELATIVES AND DOMESTIC PARTNERS

☞ You may not hire or advocate for the hiring of your relatives/domestic partner in any City agency in which you serve or exercises authority

(except for personal staff of an alderman hired as City employees)

☞ You **may not exercise supervisory authority over a relative or domestic partner** (except for personal staff of an alderman hired as City employees).

☞ You may not use your City position to help your relative or domestic partner acquire a position with anyone whose City work you oversee.

☞ You may not exercise contract management authority over City work done by any person or firm that employs or contracts with your relative/domestic partner.

POLITICAL ACTIVITY

☞ You **cannot perform political activity during any City compensated time** (when you're at your City job, or time for which you're credited for minimum City work time requirements).

☞ You **cannot ever use (or be on) City property or resources while performing any prohibited political activity**, even on your vacation, furlough, or lunch.

☞ You **cannot solicit, accept or make a political contribution while on City property or during compensated time**.

☞ If you exercise contract management authority in your City job, **then you cannot serve on a political fundraising committee** But you can still be politically active as long as you follow the other rules described.

☞ Unless you're a candidate for elected office, you **cannot knowingly solicit or accept a political contribution from any person or firm doing business with the City**.

☞ You **cannot require other City employees or officials to perform political activity** as part of their job duties or during their time off, or compel or coerce them to make, not make or solicit political contributions.

CONFLICTS OF INTEREST/ IMPROPER INFLUENCE

☞ You **may not make, participate in, or try to use your position to influence any City governmental decision** or action on any matter from which you have **derived any income or**

compensation in the previous year, or expect to derive any income or compensation in the next year, or have an ownership interest that is worth \$1,000 or more, or have any kind of financial interest distinguishable from that of the general public.

STRICTER DEPARTMENTAL RULES ALLOWED

The Ordinance is a floor, not a ceiling. Any department or aldermanic office may adopt stricter rules. This is especially true with respect to gifts—some departments have imposed a gift ban—and outside employment. Always check with your department first.

MANDATORY ETHICS TRAINING

Lobbyists, full-time employees, aldermen, City Council “contract employees” and appointed officials must complete an annual ethics training program designed by the Board. Aldermen, City Council employees and all Senior Executive City employees must also attend face-to-face ethics training every four years. Persons who do not complete required training are subject to a \$250 fine, and their violations will be made public.

STATEMENTS OF FINANCIAL INTERESTS

Elected officials, certain appointed officials, and City employees with managerial responsibilities must file a Statement of Financial Interests annually with the Board of Ethics. Filings can be done on-line. All filed Statements are open for public inspection under the Freedom of Information Act. The Board keeps them on file for seven years after filing. Statements filed in 2009 and after are available on the City's website. Persons who fail to file their Statements as required are subject to a \$250 fine. Their violations will be made public.

COMPLAINTS AND INVESTIGATIONS

The Board can accept and refer for investigation complaints alleging violations of the Ordinances by City employees, officials and others subject to their provisions. If, after a complaint is investigated by the appropriate Inspector General, the Board concludes that there is reasonable cause to believe the law was violated, the Board may settle the matter, or hold an evidentiary hearing to determine whether the Ordinance was actually violated. All complaints, Board investigations, determinations and recommendations thereon are confidential in accordance with the Ordinances, though

settlement agreements and findings of violations must be made public.

PENALTIES FOR VIOLATIONS

The Board alone determines whether violations of the Ordinance have occurred, and can impose or recommend penalties, including employment sanctions, removal from office, censure, fines or invalidation of contracts. Summaries of concluded cases can be made public, according to the law.



FOR MORE INFORMATION

Please visit our website:
www.cityofchicago.org/Ethics

For confidential advice or guidance, contact:

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