

The Gift Restrictions in Chicago's Governmental Ethics Ordinance: A Plain English Guide



Few things erode public confidence in government more than the perception that government employees and officials benefit themselves by soliciting or accepting gifts or other valuable things through their government jobs. Most jurisdictions in the United States, including the City of Chicago, have laws regulating gifts their personnel may accept or even be offered.

Luckily, the rules for Chicago governmental personnel are pretty easy to follow. They're explained here.

Remember: this is a general guide only. Please call the Board of Ethics at 312.744.9660 or email our Executive Director at steve.berlin@cityofchicago.org with questions about whether a particular gift, invitation, or other offer can be offered or accepted. ***All requests for guidance are confidential in accordance with the terms of the Governmental Ethics Ordinance.***

First, some practical advice: before accepting any gift, like a sports, theater or political event ticket, lunch, dinner, cup of coffee, or offer of business or educational travel, City employees and officials (and persons or businesses who wish to offer something of value to them) should consider not only whether the City's ethics laws allow them to offer or accept it, but whether acceptance may create the perception that the recipient's independent judgment could be compromised. ***When in doubt, it's always safest to say "no thank you" or just pay fair market value for anything offered.***

And, persons who would offer gifts to City officials or employees should also think twice. *A note to an employee's supervisor with kind words about them will make it into the employee's permanent personnel file. It goes farther than a gift. And it is perfectly legal and costs nothing.*

The essential gift law

Unless an exception applies (exceptions are listed below), City employees or officials, their spouses, domestic partners or immediate family members or other relatives living with them **MAY NOT ACCEPT, and NO PERSON MAY GIVE THEM, OR OFFER TO GIVE THEM WITH THE INTENT OF VIOLATING THE LAW, any:**

- ▶ anonymous gift, or
- ▶ cash or gift card in any amount, or
- ▶ non-cash gifts from a single source worth more than \$50 in a calendar year [personnel associated with one company, like several employees of a City vendor, are considered *a single source* for purposes of this law].



The exceptions

- ▶ Gifts from relatives;
- ▶ Gifts from personal friends, unless there is reason to believe that the gift was offered because of the employee's or official's City position. Note: personal friends are friends City employees or officials knew *prior to or independent of their City service—business friends, those one has met through their City job, are **not** personal friends for purposes of this exception;*
- ▶ Anything offered to members of the public on the same terms, like sales promotions;
- ▶ Gifts accepted on the City's behalf (these must be useable for City business purposes and promptly reported^ to the Board and Comptroller);
- ▶ Reasonable hosting expenses related to official City business, if offered by the event's sponsor or host, and the Board approves them beforehand, and they are reported^ to the Board within 10 days of acceptance;
- ▶ Materials or travel expenses related to public or governmental educational purposes if the Board approves them beforehand and they are reported to the Board^ within 10 days of acceptance.
- ▶ Gifts or other benefits offered to City employees or officials (or their relatives) due to their outside, non-City employment, business, or community activities, provided the gifts or benefits were not offered or enhanced because of the employees' or officials' City position, and are customarily provided to others in similar circumstances.

^The reporting requirements

City employees and officials must report:

(i) to the Board, all City-related reasonable hosting, educational, or business-related travel paid by a third party, within 10 days;

(ii) gifts accepted on behalf of the City, to the Board and to the Comptroller, promptly; and

if they file a Statement of Financial Interests, they must report: (iii) all gifts received in the previous calendar year from any single source worth more than \$250 (other than gifts from family); and (iv) gifts transferred to a charity, purchased, or returned because they were otherwise prohibited.

The Board posts these disclosures public on its website: <https://www.chicago.gov/city/en/depts/ethics/provdrs/reg.html>

Note: City employees or officials do not violate this law if they promptly take reasonable action to return or pay fair market value for a prohibited gift, or give it to an appropriate charity (but they must report these actions on their annual Statements of Financial Interests).

Note also: any City department, aldermanic office, board, commission, or committee may implement rules stricter than what the Governmental Ethics Ordinance provides. City employees should always check with their Department Head or Ethics Officer before accepting any gift.

Note again: gifts between City officials and employees are addressed in this guide:

<https://www.chicago.gov/content/dam/city/depts/ethics/general/Publications/PEG-IntracityGifts.pdf>

Penalties

City personnel who accept gifts in violation of these laws, and those who offer or give prohibited gifts to them are subject to their names and violations being made public, employment sanctions up to and including termination, or voiding of contracts, and fines up to \$20,000 for each violation.



QUESTIONS?

Please visit our website:

www.chicago.gov/Ethics

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