



RULES

**OF THE BOARD OF
COMMISSIONERS**

**OF THE
CHICAGO HOUSING
AUTHORITY**

**OF THE
CITY OF CHICAGO**

**Published by Authority of the Chicago
Housing Authority of the City of Chicago**

Approved September 20, 2016

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**BY-LAWS
OF
THE CHICAGO HOUSING AUTHORITY**

PREAMBLE

The Chicago Housing Authority was created pursuant to the provisions of an Act of the General Assembly of the State of Illinois, entitled "An Act in Relation to Housing Authorities," approved and in force March 19, 1934 (the "Housing Authorities Act"), and pursuant to a certificate of determination of the need for the creation of a Housing Authority of the City of Chicago, issued by the State Housing Board under date of April 5, 1934. Thereupon, the Mayor of the City of Chicago appointed five Commissioners of the Chicago Housing Authority, whose appointments were approved by the State Housing Board. The approvals of said State Housing Board were filed in the Office of the Recorder of Deeds of Cook County, Illinois, on the 8th day of January, 1937, as Document Number 11932784 and recorded in Book 1058 of Records, at page 112 thereof. The five Commissioners designated in such certificate each accepted their respective appointments as one of said Commissioners.

Pursuant to Public Act 82-780 approved by the Governor of the State of Illinois on the 7th day of July, 1982, the Mayor of the City of Chicago appointed (3) Commissioners (one of which was to fill a vacancy) to fulfill the statutory requirement of seven (7) Commissioners for municipalities having over 500,000 inhabitants, said appointments having been filed in the Office of Recorder of Deeds of Cook County, Illinois on July 29, 1982 as Document Number 26305087, 26305088 and 26305089; also, the Mayor designated the first Mayoral-designated Chairperson of the Board, such designation having been made on August 2, 1982 as evidenced by document filed in the Recorder's Office aforesaid on August 9, 1982 as Document Number 26314218.

Pursuant to Public Acts 87-657, and 88-214, approved by the Governor of the State of Illinois on the 20th day of September, 1991 and the 6th day of August 1993 respectively, three (3) additional Commissioner positions were created for each housing authority of a municipality of more than 1,000,000 inhabitants (creating a total of ten (10) Commissioner positions for such housing authorities). These Public Acts provided that the Mayor of the City of Chicago must appoint such Commissioners from current residents of the Chicago Housing Authority from a list presented by official tenants' associations of residents of the Chicago Housing Authority. Pursuant to Public Act 93-323, approved by the Governor of the State of Illinois on the 23rd day of July, 2003, the Housing Authorities Act was amended to provide that two of the three Commissioners shall be appointed from such list; the third additional Commissioner is to be appointed by the Mayor from the officers of the official tenants' associations of residents of the Chicago Housing Authority.

ARTICLE I

Administration

Section 1. Management. The Chicago Housing Authority (the “Authority” or “CHA”) is a municipal corporation and shall constitute a body corporate and politic, as provided in the Housing Authorities Act, 310 ILCS 10/1 et seq. The management and control of all officers, employees, property and business of the Chicago Housing Authority shall be vested in the Commissioners of the Chicago Housing Authority, which Commissioners are appointed and hold office in accordance with said Act. The Commissioners may by resolution make any delegation of discretionary powers or ministerial duties, to be exercised in accordance with standards, limitations, and controls which shall be set up in such resolution and which shall not be inconsistent with the Housing Authorities Act, to any committee or committees of one or more chosen from among their number. Any action taken in the name of the Authority by a person or persons to whom such powers or duties have been so delegated shall be the action of the Authority and binding upon it, provided such action is pursuant to and within the scope of the delegation resolution, and consistent with the Housing Authorities Act and other applicable law.

Section 2. Chairperson and Vice Chairperson. An Act of the General Assembly of the State of Illinois, entitled "An Act in Relation to Housing Authorities," provides for the Chairperson and Vice Chairperson who shall be selected as follows:

- a. Chairperson. One Commissioner is appointed as Chairperson upon designation by the Mayor of the City of Chicago and filing of the Certificate of Appointment with the Recorder of Deeds of Cook County.
- b. Vice Chairperson. The Chairperson shall nominate and, subject to the approval of the Commissioners, appoint from among the Commissioners a Vice Chairperson. The Vice Chairperson shall serve for a term of one year and until his or her successor is nominated and approved.
- c. The Commissioners may establish a salary or per diem allowance for the services of the Commissioner who serves as Chairperson.

Section 3. Additional Officers. In addition to the foregoing offices, the Authority shall from time to time select and appoint a chief executive officer and such other officers and employees as may be required for the performance of the duties of the Authority.

Section 4. Term of Office. The officers of the Authority elected or appointed by the Commissioners and designated by the Commissioners as having a specific term of office shall hold office until successors are elected or appointed at the next Annual Meeting of the Authority, or at a regular meeting, or at a special meeting called for the election or appointment of new officers. The Commissioners shall have the right to remove any officer other than the Chairperson, but shall not have the right to remove any Commissioner. Vacancies shall be filled by the Commissioners for the unexpired balance of the term.

Section 5. Duties and Compensation of Officers and Employees. The Commissioners shall prescribe duties of all officers and employees and fix the compensation, as applicable, of each officer and employee, subject to the right of the Commissioners to delegate such powers to the chief executive officer pursuant to a duly enacted resolution in accordance with applicable law and Section 1 of this Article I.

Section 6. Chairperson. The Chairperson shall preside at all meetings of the Authority and sign all official orders thereof; shall have general supervision over the business and affairs of the Authority; shall see that all orders and resolutions of the Authority are carried into effect; in carrying out the resolutions of the Authority; shall execute bonds, mortgages and other contracts requiring the seal of the Authority; and shall also have such additional powers and duties as may from time to time be imposed upon the Chairperson by the Authority, subject however, to the right of the Authority, in accordance with Section 1 of this Article I, to delegate any specific power or duty, except such as may be made by statute exclusively conferred on the Chairperson, to any other officer or officers of the Authority.

Section 7. Vice Chairperson. The Vice Chairperson, in the absence of the Chairperson, or in the case of the disability of the Chairperson, shall perform the functions of the office of the Chairperson.

ARTICLE II

Meetings

Section 1. Open Meetings Act. All meetings of the Authority and its committees shall be held in accordance with the provisions of the Open Meetings Act, 5 ILCS 120/1 et seq.

Section 2. Annual Meeting. The Annual Meeting of the Authority for the election of officers shall be held on the third Tuesday of July of each year.

Section 3. Regular Meetings. Regular Meetings of the Authority shall be held in the principal office of the Authority, or at such other place within the City of Chicago as may be designated by the Chairperson, on the third Tuesday of each or every other month as determined on an annual basis by the Authority. The regular meetings shall include a Public Comment Session, a closed Executive Session for the purposes set forth in Section 2 of the Open Meetings Act, and an open Business Session.

No notice of the above regular meetings shall be required to be given to the Commissioners other than that required to be given under the Open Meetings Act, and it shall be the duty of the Commissioners to attend such meetings without any additional notice.

Section 4. Special Meetings. Special meetings of the Authority may be called at any time by the Chairperson, or in his or her absence, by the Vice Chairperson on 48 hours' notice to each Commissioner either personally, by mail or by electronic transmission. Special meetings shall be called by the Chairperson in like manner and on like notice upon the written request of three or more Commissioners.

Attendance of a Commissioner at any special meeting and participation therein without objecting at the opening of such meeting that it was not lawfully called shall constitute a waiver of notice of such meeting. Failure to give notice of such meeting to a Commissioner so attending it and making no such objection shall in no way affect the validity of any action taken at such meeting.

In an emergency not admitting of delay, a special meeting may be held. Notice of a special meeting held on an emergency basis shall be given as soon as practicable.

Section 5. Attendance by Means other than Physical Presence. If a quorum of the Commissioners is physically present at any regular, special or emergency meeting, a majority of the quorum may allow a Commissioner to attend a meeting via video or audio conference if the Commissioner is prevented from physically attending because of (a) personal illness or disability; (b) employment purposes or the business of the Authority; or (c) a family or other emergency. If a Commissioner wishes to attend a meeting by video or audio conference, the Commissioner must notify the Custodian and Keeper of Records and Official Documents of the Authority before the meeting unless advance notice is impractical.

The Commissioner participating electronically and other Commissioners of the Authority must be able to communicate effectively, and members of the audience must be able to hear all communications at the meeting site. Before allowing electronic attendance at any meeting, the Authority shall provide equipment adequate to accomplish this objective at the meeting site.

Any Commissioner attending electronically shall be considered an off-site attendee and counted as present electronically for that meeting. The meeting minutes shall also reflect and state specifically whether each Commissioner is physically present or present by electronic means.

A Commissioner permitted to attend electronically will be able to express his or her comments during the meeting and participate in the same capacity as those Commissioners physically present, subject to all general meeting guidelines and procedures previously adopted and adhered to. The Commissioner attending electronically shall be heard, considered, and counted as to any vote taken. Accordingly, the name of any Commissioner attending electronically shall be called during any vote taken, and his or her vote counted and recorded and placed in the minutes for the corresponding meeting. A Commissioner attending electronically may leave a meeting and return as in the case of any Commissioner, provided the Commissioner attending electronically shall announce his or her leaving and returning.

These rules shall apply to all committees established by the Authority.

Section 6. Public Participation. The Commissioners shall adopt rules governing public participation at the meetings conducted by the Authority and its committees.

Section 7. Quorum. A quorum consists of a majority of Commissioners and is the minimum number of Commissioners who must be present at a meeting for the transaction of business. A majority is defined generally as the number greater than half of any total. Pursuant to

the Housing Authorities Act, six commissioners shall constitute a quorum for the transaction of the business of the Authority. In the absence of a quorum the meeting may be adjourned by the Chairperson, Vice Chairperson or any Commissioner present, in such order, to a given date, subject to the approval of the Chairperson, or in his or her absence, the Vice Chairperson. The Chairperson or Vice-Chairperson may issue or cause the Secretary to issue such notice. The notice shall comply with the requirements of the Open Meetings Act.

Section 8. Waiver of Notice. A written waiver of any notice that is required by this Article II, if such waiver is signed by a Commissioner either before or after the time stated in said waiver for holding a meeting, shall be deemed equivalent to a notice required to be given such Commissioner.

Section 9. Record of Proceedings. The Chairperson shall nominate and, subject to the approval of the Commissioners, appoint a person to record all votes; keep a record of the proceedings of the Authority in a minute book to be kept for that purpose; maintain verbatim recordings of the closed Executive Session proceedings of the Authority; cause notice to be given of all meetings of the Authority; keep in safe custody the seal of the Authority; affix such seal to all contracts and other instruments authorized by the Authority and requiring such seal; keep the records of all standing and special committees of the Authority and keep the record thereof; be Custodian and Keeper of Records and Official Documents of the Authority; and perform such other duties as are incident thereto.

Unless, there is an appointment to contrary, these duties shall be performed by the Secretary of the Board.

ARTICLE III

Committees

Section 1. Committees. The Chairperson, as deemed necessary to carry out work of the Authority, shall appoint all committees, standing and special. The standing and special committees shall be established by resolution(s) of the Commissioners, which resolution(s) shall include the composition (including provisions for ex-officio membership), duties and responsibilities of each committee.

ARTICLE IV

Establishment of Committees

Section 1. Establishment of Committees. The Board hereby provides for and establishes three (3) Committees of the Board with the titles and areas of responsibilities as follows:

- a) **Finance & Audit Committee:** the consideration of all matters set forth in the Finance and Audit Committee Charter, attached hereto as Schedule A. Also, the consideration of all matters related to the revenues and outlays of the Authority,

including all purchases and contracts except those matters under the Real Estate Operations Development Committee areas of responsibilities, and the policies and procedures related thereto, and the consideration of all audit and other matters.

- b) **Real Estate Operations Development Committee**: the consideration of all matters relating to the creation, acquisition, or development of any and all new units to be subsidized by the Authority; the redevelopment or disposition of any and all real property owned by or under the control of the Authority, the demolition of any housing units owned by or under the control of the Authority; the rehabilitation of any housing units including those that shall in the future be counted toward the 25,000 unit goal of the Authority's Restated and Amended Moving to Work Agreement; the operation, maintenance, and repair of facilities; professional and construction services for the acquisition, development, rehabilitation, redevelopment, demolition, disposition and replacement of facilities, and the policies and procedures related thereto; and the operation and administration of the Housing Choice Voucher program.
- c) **Tenant Services Committee**: the consideration of all matters related directly to the social and personal well-being of residents, including tenant selection and retention, security, youth programs, elderly programs, employment training and readiness programs and other economic development and social services issues.
- d) The Personnel Committee is hereby terminated with all responsibilities of that committee reverting to the Board.

Section 2. **Ex-officio member; Chair and Vice Chairperson**. The Chairperson and the Vice Chairperson of the Board shall each be an *ex-officio* voting member of each Committee, but shall not be counted present for purposes of establishing a quorum of the Committee, unless also an official member of any such Committee. The Chairperson will appoint the Committee members to each Committee, and will select one of the Committee members to serve as the Committee Chair for each Committee.

Section 3. **Composition of Committees**. Each Committee shall consist of five (5) Commissioners as regular members in addition to any *ex-officio* members.

Section 4. **Meetings**. Each committee may meet, when deemed necessary, prior to the regular meeting of the Board to consider issues pertinent to such committee. Each committee shall establish annually a calendar of its regular meetings for the next twelve months. The Committee Chair, Chairperson of the Board of Commissioners ("Chairperson"), or any two (2) Committee members may call a special meeting upon at least 48 hours prior notice, all in compliance with the Open Meetings Act.

Section 5. Voting. The affirmative vote of 3 members of a committee is necessary to adopt any motion or resolution unless a greater number is otherwise required, except in the event of three to three tie vote, the motion or resolution fails. Any motion or resolution, regardless of the Committee vote (or in the absence of a Committee vote), may be presented to the full Board for its' consideration at the discretion of the Committee chair.

Section 6. Quorum. The physical attendance of at least 3 members (excluding *ex-officio* members) shall be required to establish a quorum. Members not physically present may participate in meetings in accordance with the Open Meetings Act.

Section 7. Vacancies. Any vacancy on a Committee created by a vacancy in any Commissioner's office shall be filled by the person succeeding to such Commissioner's office.

ARTICLE V

Miscellaneous

Section 1. Principal Offices. The principal offices of the Authority shall be located in the City of Chicago, Cook County, Illinois. The principal offices of the Authority are currently located at 60 East Van Buren Street, Chicago, Illinois, but may be changed by resolution of the Authority. Except as otherwise required by resolution of the Authority all of its books and records shall be kept at the principal offices of the Authority.

Section 2. Fiscal Year. The fiscal year shall begin with the first day of January of each year and end with the last day of December of the same year. At the end of each fiscal year, the Chicago Housing Authority, shall employ a recognized firm of auditors and accountants to audit such books of the Authority.

Section 3. Demands for Money or Notes. All demands for money or notes of the Authority other than checks shall be signed by the Chairperson or Vice Chairperson or by such other person or persons as the Authority may from time to time designate.

ARTICLE VI

Indemnification – Commissioners and Officers

Section 1. Indemnification. The Authority shall indemnify, to the extent not covered by insurance, to the fullest extent permitted by law, any current or former CHA Commissioner, Officer, or Employees' Retirement Plan Trustee ("Trustee") against any and all expenses, legal fees and liabilities actually and necessarily incurred by him or her in connection with any claim, action, suit, or proceeding, whether actual or threatened, including civil, administrative, or investigative, including all appeals to which he or she may be made a party by reason of being or having been such Commissioner, Officer or Trustee and regardless of the final resolution of the claim, action, investigation, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the Authority's best interest. Persons claiming

indemnification under these By-Laws shall promptly advise the Authority and its Chief Legal Officer in writing of the existence of any matter which may give arise to such indemnification.

Section 2. Expenses and Liabilities. Amounts paid in full indemnification of expenses and liabilities may include but shall not be limited to counsel fees, expert witness fees, court reporters, travel expenses and other fees, costs and disbursements, judgments, fines, penalties against and amounts paid in settlement by such Commissioner, Officer or Trustee.

Section 3. Selection of Counsel. The current or former Commissioner, Officer or Trustee may, at his or her option, (a) tender the defense of the claim, action, suit or proceeding to the Authority to be handled by an attorney of the Authority's choosing at its expense; or (b) select a licensed attorney to defend him or her in the claim, action, suit or proceeding. Any such independent counsel shall work cooperatively with insurance counsel and/or the Authority's counsel. The Authority shall pay all reasonable attorneys' fees and expenses incurred by the current or former Commissioner, Officer or Trustee promptly after receiving bills therefor in advance of the final disposition of the claim, action, investigation, suit or proceeding so long as the attorneys' fees and expenses are reasonable relative to the fees and expenses the Authority would pay to outside counsel for similar representation. Such fees and expenses shall be subject to review for reasonableness and approval by the Authority's General Counsel.

Section 4. Forfeiture of Rights. Notwithstanding any other provision herein, the Authority shall be under no obligation to indemnify any current or former CHA Commissioner, Officer or Trustee who fails to comply with or abide by the provisions of these By-Laws, or who is adjudged to be guilty of a criminal offense, liable for fraud, or liable to the Authority for damages. If, following any indemnification payments, it is determined that a current or former Commissioner, Officer or Trustee who received such payments, or on whose behalf such payments were made, was not entitled to such indemnification, the Authority shall be authorized to recover from such current or former Commissioner, Officer or Trustee all indemnification sums paid, including all defense fees and costs paid pursuant to the duty to defend, and all legal costs, fees and attorneys' fees incurred in recovering the improper indemnification.

ARTICLE VII

Indemnification - Employees

Section 1. Indemnification. Article VII sets forth the indemnification provisions governing current or former CHA employees, not covered by Article VI. The Authority shall indemnify, to the extent not covered by insurance, any current or former CHA employee against any and all expenses and liabilities actually and necessarily incurred by him or her in connection with any claim, action, suit, or proceeding, whether actual or threatened, including civil, administrative, or investigative, including appeals, to which current or former employee may be made a party by reason of being or having been an employee acting in the course of employment; subject to the limitation, however, that there shall be no indemnification: (a) for the amount of any punitive damages awarded, including the amount of any punitive damages awarded under a statute providing for a doubling, trebling or other multiple of actual damages; or (b) in relation to matters as to which the current or former employee shall be adjudged to Be guilty of a criminal offense,

liable for fraud, liable to the Authority for damages, or found to have acted in violation of Authority policy, including but not limited to the Personnel Manual.

Section 2. Selection of Counsel. Any current or former employee claiming indemnification under these By-Laws must receive written authorization from the Chief Executive Officer prior to retaining counsel. The Authority shall not be liable for any counsel fees or other legal costs incurred prior to receipt by the current or former employee of written authorization by the Chief Executive Officer. The Authority shall not be required to make any indemnification payments, to include counsel fees, to current or former employees covered by this Article until complete and final resolution of the subject litigation has occurred. In no event shall this provision be construed as interference with, discouragement of, or an impediment to the retention of counsel by an employee in circumstances where the employee does not claim a right of entitlement to indemnification for the cost of such counsel.

Section 3. Expenses and Liabilities. Amounts paid in indemnification of expenses and liabilities may include but shall not be limited to counsel fees and other fees, costs and disbursements, judgments, fines, penalties against, and amounts paid in settlement by such employee.

Section 4. Nature of Defense. As part of the indemnification provided for hereunder, the Authority shall undertake a duty to defend any noncriminal claim, action, suit or proceeding threatened or pending against any current or former CHA employee. Pursuant to such duty to defend, the Authority shall have the power to the fullest extent permitted by law to: (a) select and retain counsel, (b) require that defenses be tendered to the Authority, (c) review and approve payment of all expenses for reasonableness (including attorneys' fees) and (d) approve any settlement of any dispute giving rise to a claim for indemnification.

Section 5. Forfeiture of Rights. The Authority shall have no obligation to indemnify any current or former employee who fails to comply with or abide by the provisions of these By-Laws; or who is adjudged to be guilty of a criminal offense, liable for fraud, liable to the Authority for damages, or found to have acted in violation of Authority policy, including but not limited to the Employee Handbook. If, following any indemnification payments, it is determined that a current or former employee who received such payments was not entitled to such indemnification, the Authority shall be authorized to recover from such employee all indemnification sums paid, including all defense fees and costs paid pursuant to the duty to defend, and all legal costs, fees and attorneys' fees incurred in recovering the indemnification property.

ARTICLE VIII

Amendments

Section 1. Amendments. These By-Laws may be altered, amended or repealed by a majority of the Commissioners at any regular or special meeting of the Authority if notice of the proposed alterations, amendment or repeal is contained in a written notice to the Commissioners not less than thirty days before such meeting date.

In no event, however, shall Articles VI and/or VII, or any subparts thereof, be retroactively altered, amended or repealed subsequent to the date of adoption of this Amendment to the By-Laws by the Authority. Said Articles, or any subparts thereof, may only be altered, amended or repealed prospectively and any purported retroactive amendment of said Articles shall be null and void.

In the event that said Articles are subsequently altered, amended or repealed, all persons indemnified under said Articles, prior to such alteration, amendment or repeal, shall continue to be indemnified to the same extent for any and all claims, actions, suits or proceedings arising out of any act or omission, whether known or unknown, which occurred prior to the date of said alteration, amendment or repeal.

Notwithstanding the foregoing, to the extent the Open Meetings Act and the Housing Authorities Act are amended from time to time, these By-laws shall be deemed to incorporate all applicable amendments without further action of the Board.

ARTICLE IX

Delegated Authority (Significant Actions Policy)

This Article defines the roles of the Board of Commissioners and the Chief Executive Officer and other officers, with respect to decision-making authority. The following actions are delegated by the Board of Commissioners and may be exercised as described below without any action of the Board.

Section 1. Chief Executive Officer. The Chief Executive Officer may incur liabilities of up to, and including, \$150,000, without Board approval.

The Chief Executive Officer is further authorized to incur liabilities valued from \$150,001 up to \$500,000, without Board approval, provided that the Chief Executive Officer utilizes a formal solicitation process consistent with CHA and HUD procurement policies and regulations. The solicitation must be documented in the same manner as procurements otherwise contracted by the Department of Procurement and Contracts. Incurrence of a Liability in excess of \$500,000 must be approved by the Board.

A change order or other contract amendment in an amount not more than, the greater of \$150,000 or 5% of the original contract amount, shall not require Board approval, provided that when change orders and other amendments cumulate to aggregate in an amount more than, the greater of \$150,000 or 5% of the original contract amount, Board approval will be required.

Section 2. Authority-Wide Procedures. Adoption of Authority-Wide procedures are the domain of the Chief Executive Officer. Division Chiefs and equal level executives who report to the Chief Executive Officer or the Chief Operating Office (Chief of Staff) may approve procedures that apply to their areas of responsibility, provided the procedures are consistent with Authority-Wide procedures issued by the Chief Executive Officer. All formal authority policies must be approved by the Board.

Section 3. Use of Resources. Board approval must be obtained prior to CHA's commitment to enter into any business venture or joint venture arrangement that involves a significant use of CHA's resources. Applications for funding from any source, including joint proposals for funding, must receive prior Board approval when required by the grant application. Acceptance of funding from any source must also receive prior Board approval. If a grant names partners/subcontractors, the Board will concurrently accept the funding and approve entering into a contract with those designated partners/ subcontractors.

Section 4. Chief Executive Officer's Delegation. The Chief Executive Officer may, by written instrument, delegate his authority to appropriate CHA employees as designees to act on his behalf and with his authority.

Section 5. Chief Legal Officer. The Chief Legal Officer shall have authority to issue legal opinions, to bring actions on behalf of the Board, to take any actions required by law and to settle any matter before the Office of the General Counsel, including, but not limited to, federal and state court cases, administrative enforcement agency cases, workers' compensation claims, employment issues, and contract disputes, for a sum up to and including \$150,000, without Board approval. The Office of the General Counsel is also authorized to retain hearing officers, arbitrators, mediators, expert consultants and witnesses and court reporters and to authorize payment of fees, expenses and costs related to those engagements.

Further the Chief Legal Officer may enter into non-monetary settlements that do not have a significant financial impact on the CHA, without Board approval.

Section 6. Residential Lease. Modification to CHA's residential lease must receive Board approval. All non-residential leases, regardless of the dollar amount, must be approved by the Board.

ARTICLE X

Delegated Authority to the Chief Executive Officer

Section 1. Housing Authorities Act. Section 6 of the Act, provides, *inter alia*, as follows:

The commissioners shall, from time to time, select and appoint a chief executive officer and officers and employees, including engineering, architectural and legal assistants, as they may require for the performance of their duties, and may prescribe the duties and compensation of each officer and employee or expressly delegate that authority to the chief executive officer;

Section 2. Powers Delegated to Chief Executive Officer With Respect to Officers and Employees at Grade Level 74. The Board hereby authorizes and delegates to the Chief Executive Officer the power to: 1) make findings and recommendations regarding the selection, appointment, and removal of officers and employees at Grade Level 74 and 2) prescribe the duties and compensation of each such officer and employee of the Authority. For purposes of this resolution, Officers and Employees at Grade Level 74 shall be limited to those executive officers or chief officers that are both 1) Grade Level 74 and 2) are identified on any current organization chart as direct reports to the Chief Executive Officer. The Chief Executive Officer shall exercise such authority within the constraints of the approved budget for the fiscal year in which such delegated action is taken. The responsibilities of the Chief Executive Officer as delegated herein shall be implemented in a manner that promotes the efficient disposition of all matters within the jurisdiction of the Authority and is consistent with the requirements of applicable federal, state, and local laws, rules, and regulations.

Section 3. Chief Executive Officer's Report of Findings and Recommendations regarding Selection, Appointment, and Removal of Officers and Employees at Grade Level 74.

- a) The Chief Executive Officer shall submit to the Board for its review and approval in advance of regular Board meetings a report setting forth findings and recommendations concerning the selection, appointment and removal of officers and employees at Grade Level 74 in a Report of Personnel Findings Recommendations and Action (the "Report") which shall include, without limitation, a statement of the purpose of and necessity for the recommended actions(s).
- b) In the event that the Chief Executive Officer determines that, good business practices or other appropriate circumstances exist that support the selection, appointment, or removal of certain officers and employees in

advance of the regular Board meetings, the Chief Executive Officer is authorized to take such action with the prior approval of the Chairperson. A description of such action shall be included in the Report for ratification by the Board.

Section 4. Powers Delegated to Chief Executive Officer With Respect to Officers and Employees Below Grade Level 74. The Board hereby authorizes and delegates to the Chief Executive Officer the power to: 1) select, appoint, and remove officers and employees below Grade Level 74 (and any other officers or employees other than those described in Section 2 in advance of Board meetings and request ratification of such actions at regular Board meetings; and 2) prescribe the duties and compensation of each such officer and employee of the Authority. The Chief Executive Officer shall exercise such authority within the constraints of the approved budget for the fiscal year in which such delegated action is taken. The responsibilities of the Chief Executive Officer as delegated herein shall be implemented in a manner that promotes the efficient disposition of all matters within the jurisdiction of the Authority and is consistent with the requirements of applicable federal, state, and local laws, rules, and regulations.

Section 5. Chief Executive Officer's Request for Ratification of Selection, Appointment, and Removal of Officers and Employees Below Grade Level 74. The Report the Chief Executive Officer shall submit to the Board for its review and ratification of the selection, appointment and removal of officers and employees below Grade Level 74, shall set forth the purpose and necessity of such actions. Such Report shall describe the qualifications of any officer or employee selected or appointed and shall certify that such officer or employee was properly evaluated pursuant to CHA hiring standards and practices prior to selection or appointment.

Section 6. Delegation by CEO. The Chief Executive Officer may, as he or she deems appropriate, delegate to appropriate staff the investigatory, research or information gathering requirements of the Chief Executive Officer's delegated responsibilities as described herein. Any person carrying out these delegated activities shall not have the authority to make any decisions regarding the selection, appointment, removal, duties or compensation of any officers or employees of the Authority.

Section 7. Revocation of Authority. The Board may revoke in whole or in part any specific or implied delegation to the Chief Executive Officer.

SCHEDULE A

**FINANCE AND AUDIT
COMMITTEE CHARTER**

AUDIT COMMITTEE PURPOSE AND AUTHORITY

The purpose of the audit committee shall be to:

1. assure that the Board of Commissioners of the Chicago Housing Authority fulfills its oversight responsibilities for (a) the qualifications, independence and performance of the Chicago Housing Authority's independent auditors, (b) the performance of the Chicago Housing Authority's internal audit function, (c) the performance of the Chicago Housing Authority's Office of the Inspector General function, (d) the integrity of the Chicago Housing Authority's financial statements and financial reporting, (e) the maintenance of effective administrative, risk management, operating and accounting internal control systems; and
2. provide a means of communication among management, the independent auditors, the internal auditors, the Inspector General and the Board of Commissioners.

The audit committee shall have direct and unrestricted access to the Chicago Housing Authority's management personnel, non-management personnel and independent accountants, including access to their documents, books and records. The audit committee shall have the authority to retain, at the Chicago Housing Authority's expense and in compliance with applicable procurement policies and procedures, such outside counsel, experts and other advisors as the audit committee may deem appropriate. The audit committee may request its advisors to attend a meeting of the audit committee or to meet with any members of the audit committee. The Chicago Housing Authority's board will ensure that the audit committee has sufficient resources to carry out its duties.

COMPOSITION OF COMMITTEE AND SELECTION OF MEMBERS

The audit committee shall consist of five (5) members of the Board of Commissioners, all of whom must be independent of Chicago Housing Authority operations. The Chairperson of the Board of Commissioners will appoint the audit committee members, and will select one of the Commissioner members of the audit committee to serve as the audit committee chair.

All audit committee members shall possess or obtain a basic understanding of the housing industry, governmental financial reporting, and auditing. In addition, at least one (1) audit committee member shall be designated as an audit committee financial expert. The audit committee financial expert should have:

1. an understanding of generally accepted accounting principles and financial statements;
2. the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves in the context of the Chicago Housing Authority's financial statements;
3. experience preparing, auditing, analyzing or evaluating financial statements that

present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Chicago Housing Authority's financial statements, or experience actively supervising one or more persons engaged in such activities;

4. an understanding of internal accounting controls and procedures for financial reporting; and,
5. an understanding of audit committee functions.

MEETINGS

The audit committee will meet at least three (3) times a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter.

Members of the audit committee are expected to attend each committee meeting, in person or via telephone or videoconference. The audit committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

The audit committee may meet privately in executive session, at such times as the audit committee determines appropriate, with management, the Director, Audit Management and Compliance, the independent auditors, the internal auditors, the Inspector General and as a committee, in each case to discuss any matters that the audit committee or any of these groups or individuals believe should be discussed privately, provided that the audit committee shall meet privately with the independent auditors at least annually to discuss the financial statements of the Chicago Housing Authority. All meetings shall be held in accordance with the Open Meetings Act.

The audit committee shall operate in accordance with the Board's By-Laws.

RESPONSIBILITIES

A. INDEPENDENT AUDITORS AND FINANCIAL STATEMENTS

The audit committee shall:

- In compliance with applicable procurement policies and procedures, be responsible for the appointment, retention and compensation of the independent auditors of the Chicago Housing Authority.
- Be responsible for overseeing the independent auditors of the Chicago Housing Authority, including resolving disagreements between management and the independent auditors regarding financial reporting.
- In compliance with applicable procurement policies and procedures, pre-approve all audit and non-audit services provided by the independent auditor and, if the audit

committee desires, establish pre-approval policies and procedures under which particular services will be deemed to have been approved. Non-audit services include tasks that directly support the Chicago Housing Authority's operations, such as bookkeeping or other services related to the accounting records or financial statements of the Chicago Housing Authority, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services, and other tasks that may involve performing management functions or making management decisions.

- Review and approve the Chicago Housing Authority's audited financial statements, associated management letter, report on internal controls and required and other communications with the independent auditors.
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and their impact on the financial statements.
- Meet with the independent auditors and management as necessary to discuss any significant issues that may have surfaced during the course of the audit.
- Review and discuss any significant risks reported in the independent auditors' findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

B. INTERNAL AUDITORS

The audit committee shall:

- Ensure that the annual budget of the Chicago Housing Authority provides sufficient financial and employee resources for the internal auditors to perform their duties.
- Review with management, the Director, Audit Management and Compliance, and other relevant personnel the charter, activities, staffing and organizational structure of the internal audit function.
- Ensure that the internal audit function is organizationally independent from Chicago Housing Authority operations.
- Review and approve the Internal Audit charter.
- Review and approve the annual internal audit plan.
- Review the reports of the internal auditors, results of internal audits and approve procedures for implementing accepted recommendations of the internal auditors.

C. INSPECTOR GENERAL

The audit committee shall:

- Ensure that the annual budget of the Chicago Housing Authority provides sufficient financial and employee resources for the Office of the Inspector General to perform its duties.
- Review all reports concerning results of investigations undertaken by the Office of Inspector General.
- Review quarterly reports to be provided by Office of Inspector General no later than the fifteenth day of January, April, July, and October of each year.
- Review the annual report to be provided by Office of Inspector General no later than the first day of February of each year.
- Serve as a point of contact with the Office of the Inspector General.
- Review and approve the Inspector General Charter.

D. INTERNAL CONTROLS, COMPLIANCE AND RISK ASSESSMENT

The audit committee shall:

- Review management’s assessment of the effectiveness of the Chicago Housing Authority’s internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.
- Meet with the independent auditors and management to discuss any major issues as to the adequacy of the Chicago Housing Authority’s internal controls and the resolution of any identified material weaknesses or significant deficiencies.
- Review with the Chicago Housing Authority’s general counsel any legal or regulatory matters or inquiries that could have a significant impact on the Chicago Housing Authority’s financial statements or compliance with applicable laws and policies, including implications as to the adequacy of the Chicago Housing Authority’s internal controls.
- Review and approve the annual risk assessment conducted by the internal auditors.

E. OTHER RESPONSIBILITIES OF THE AUDIT COMMITTEE

The audit committee shall:

- Report its activities to the full Board of Commissioners on a regular basis and annually present to the Board of Commissioners a summary report of how the audit committee has discharged its duties and met its responsibilities as outlined in this charter.
- Obtain all information and training necessary to enhance the committee members' understanding of the role of internal audits and the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.
- Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Review the committee's charter at least annually and recommend to the Board of Commissioners of the Chicago Housing Authority any proposed changes, including changes reflecting developments in applicable laws, regulations and accounting and auditing standards.
- Conduct a bi-annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.
- Review and approve any permitted related party transactions (as defined for purposes of Government Accounting Standards Board Statement No. 56) involving the Chicago Housing Authority.

SCHEDULE B

INTERNAL AUDIT CHARTER

Mission

The CHA Internal Audit mission states,

“Independently and objectively perform assurance and consulting activity designed to add value and improve operations of the Chicago Housing Authority. Help the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance process.”

I. Authority

The Internal Audit function is authorized by the CHA Board of Commissioners’ Finance and Audit Committee. The Internal Audit activity, has strict responsibility to safeguard confidential records and information. Internal Audit, has full, free, and unrestricted access to any and all of CHA’s records, physical properties, and personnel pertinent to carrying out any engagement, except to the extent such records are protected by the attorney-client privilege or other privileges or confidentiality agreements, or include minutes or records from an executive session of the Board or any of its committees which have not been released to the public. All CHA employees are required to assist the Internal Audit activity in fulfilling its roles and responsibilities.

II. Organization

The Director, Audit and Compliance will report to the Chief Executive Officer (CEO).

The Audit Committee will:

- Approve the internal audit charter.
- Approve the risk based internal audit plan.
- Approve the internal audit budget and resource plan.
- Receive regular reports from the Director, Audit and Compliance on the internal audit activity’s performance relative to its plan and other matters.
- Approve decisions regarding the appointment and removal of the Director, Audit and Compliance.
- Approve the remuneration of the Director, Audit and Compliance.
- Receive updates from the Director, Audit and Compliance to determine whether there is inappropriate scope or resource limitations.

The Director, Audit and Compliance will communicate and interact directly with the Finance and Audit Committee, as appropriate.

IV. Independence and Objectivity

The internal audit activity will operate independently from CHA management with respect to matters of audit selection, scope, procedures, frequency, timing, or report content to enable an independent and objective Internal Audit function.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, they will not design or implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair internal auditors' judgment.

Internal auditors will exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors will make a balanced assessment of all the relevant circumstances and not be unduly influenced by their own interests or by others in forming judgments.

The Director, Audit and Compliance will confirm to the Finance and Audit Committee, at least annually, the organizational independence of the internal audit activity.

V. Responsibility

The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of CHA's governance, risk management, and internal controls as well as the quality of performance in carrying out assigned responsibilities to achieve CHA's stated goals and objectives. This includes:

- Evaluating risk exposure relating to achievement of CHA's strategic objectives.
- Evaluating the reliability and integrity of financial information and the means used to identify, measure, classify, and report such information.
- Evaluating the controls established to ensure CHA's compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on the CHA.
- Evaluating the means of safeguarding CHA assets and, as appropriate, verifying the existence of such assets.
- Evaluating operations or programs to ascertain whether results are consistent with established objectives and goals and whether the CHA is executing its objectives in an efficient and effective manner.
- Monitoring and evaluating governance processes, and management processes as necessary to complete audit activity.
- Evaluating the quality of performance of external auditors and the degree of coordination with internal audit.
- Evaluating the quality of performance of internal auditors and the degree of coordination with external audit.
- Assuring appropriate follow-up with management to determine whether management is addressing risks identified by audit activity.
- Performing consulting and advisory services related to governance, risk management and control as appropriate for CHA.
- Reporting periodically on the internal audit activity's purpose, authority, responsibility, and performance relative to its plan.
- Reporting significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by the Audit Committee.
- Evaluating specific operations at the request of the Audit Committee or management, as appropriate.

VI. Internal Audit Plan

At least annually, the Director, Audit and Compliance will submit to the Audit Committee an Internal Audit plan for review and approval. The Internal Audit plan will consist of a work schedule as well as estimated budget for the next fiscal/calendar year.

The internal audit plan will be developed based on a prioritization of the audit universe using a risk-based methodology, including input of senior management and the Audit Committee. The Director, Audit and Compliance will review and adjust the plan, as necessary, in response to changes in CHA's business, risks, operations, programs, systems, and controls. Any significant deviation from the approved internal audit plan will be communicated to the Audit Committee and subject to the Audit Committee's approval.

VII. Reporting and Monitoring

A written report will be prepared and issued by the Director, Audit and Compliance or designee following the conclusion of each internal audit engagement and will be distributed to the stakeholders. Internal Audit results will also be communicated to the Audit Committee.

The Internal Audit report may include management's response and corrective action taken or to be taken in regard to the specific findings and recommendations. Management's response should include a timetable for anticipated completion of action to be taken and an explanation for any corrective action that will not be implemented.

The internal audit activity will be responsible for appropriate follow-up on engagement findings and recommendations. All significant findings will remain in an open issues file until cleared.

The Director, Audit and Compliance will periodically report to the Audit Committee on the internal audit activity's purpose, authority, and responsibility, as well as performance relative to its plan. Reporting will also include significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by senior management and the Audit Committee.

VIII. Relationship with External Auditors

The External Auditors will work directly with CHA's Chief Financial Officer. Internal Audit will work proactively with the Chief Financial Officer and External Auditors to determine areas where assistance and direct audit comfort can be provided by Internal Audit. Internal Audit will regularly meet with the Chief Financial Officer and External Auditor to discuss the internal and external audit plans and to share knowledge of any issues. These meetings will help ensure that the roles of the two functions are coordinated and that there is no duplication.

IX. Relationship with Office of Inspector General

Internal Audit will work proactively with the OIG to determine areas where assistance and direct audit comfort can be provided by Internal Audit. Internal Audit will regularly meet with the OIG to discuss the internal and OIG audit plans and to share knowledge of any issues. These meetings will help ensure that the roles of the two functions are coordinated and that there is no duplication.

X. Quality Assurance

Internal audit will maintain a quality assurance and improvement program that covers all aspects of the internal audit activity. The program will include an evaluation of the internal audit activity's conformance with the Definition of Internal Auditing and the Standards and an evaluation of whether internal auditors comply with the Code of Ethics. The program also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.

The Director, Audit and Compliance will communicate to the Audit Committee on the internal audit activity's quality assurance and improvement program, including results of ongoing internal assessments and external assessments conducted at least every five years.

XI. Professional Standards

The Internal Audit Department works to serve the CHA using the framework of the following organizations:

- The Standards and the Code of Ethics produced by the Institute of Internal Auditors (IIA) and published in The Professional Practices Framework, March 2007
- The professional and ethical standards issued by the American Institute of Certified Public Accountants (AICPA)
- The professional and ethical standards issued by the Illinois Certified Public Accountant (ICPAS) Society, as applicable.

SCHEDULE C

**OFFICE OF THE INSPECTOR
GENERAL CHARTER**

1. Staffing and Resources

The Office of Inspector General (“OIG”) shall be managed by the Inspector General, who shall be appointed to a four-year term by a majority of the Board of Commissioners of the Authority (the “Board”) and who may be removed from his or her position prior to the expiration of his or her term only for cause by a majority of the Board. The Inspector General is responsible for managing the OIG, which shall include the oversight and supervision of assistants, investigators, auditors and such other employees as deemed necessary to carry out the business of the OIG. Said assistants, investigators, auditors and other individuals shall be employees or contractors of the Authority, hired in conformance with the provisions generally applicable to Authority employees or contractors, and/or other personnel as detailed from other agencies (Political considerations may play no role in the hiring, retention or dismissal of said employees or contractors). The Inspector General will submit annual evaluations of the employees and will recommend, at the Inspector General’s discretion, based upon the evaluations, that certain individual employees under his or her oversight be promoted, removed, disciplined, or re-assigned as appropriate for the efficient administration of the OIG.

The OIG employees shall comply with the Authority’s *OIG’s Rules and Regulations* and the *OIG’s Standard of Conduct* which provides operational guidelines and procedures aligned with the Inspector General Charter and enhanced standard of conduct to supplement the Authority’s Ethics Policy, the Employee Handbook and all other relevant Authority wide policies.

In order to ensure that the OIG has sufficient resources for efficient and effective administration of the OIG’s responsibilities and functions, the Audit Committee of the Board (“Audit Committee”) shall ensure that the OIG has an annual budget sufficient to meet the needs of the OIG, in terms of both employees and resources. The Inspector General shall establish the organizational structure appropriate to carry out the responsibilities and functions of the OIG within the budget resources provided by the Audit Committee.

2. Reporting

The Inspector General shall report the OIG’s activities to the Audit Committee. From time to time, as needed or as requested by a Chairperson, the Inspector General shall brief the full Board of significant OIG activities. The Inspector General shall be independent from the Authority’s management. The Board and the Authority’s management shall not prevent, impair or prohibit the Inspector General from initiating, carrying out or completing any investigations, audits or reviews.

3. Powers and Duties

In addition to other powers conferred herein, the Inspector General shall have the following powers and duties:

- a) Cooperate with the Authority’s auditors to promote economy, efficiency, effectiveness and integrity in the administration of programs and operations of the Authority by, at the request of the Audit Committee, reviewing programs; identifying any inefficiencies, waste

- and potential for misconduct therein; and recommending policies and methods for the elimination of inefficiencies and waste, as well as for the prevention of misconduct.
- b) Cooperate with the Ethics Officer. If the matter involves subject matters enumerated herein, the Inspector General shall have the jurisdiction to investigate the allegation.
 - c) Receive, register and investigate complaints and information from any source pertaining to waste, fraud and abuse within the Authority; contractors, vendors, subcontractors, consultants, agents or licensees misconduct; fraud or collusion involving Authority contracts and/or contractors, vendors, subcontractors, consultants, agents or licensees; misuse, embezzlement or theft of Authority resources; conflicts of interest, bribery or misconduct involving Authority personnel; or other unethical or illegal activities involving Authority property, officers, employees, Board members, contractors, vendors, subcontractors, consultants, agents or licensees.
 - d) Request and receive information related to an investigation from officers, employees, Board members, contractors, vendors, subcontractors, consultants, agents and licensees of the Authority and conduct interviews.
 - e) Investigate and review the conduct of the Authority's officers, employees, Board members, contractors, vendors, subcontractors, consultants, agents and licensees; review the Authority's policies, procedures, functions and programs, either in response to a complaint or on the Inspector General's own initiative, in order to detect and prevent waste, fraud, abuse or misconduct and promote efficiencies within the programs and operations of the Authority.
 - f) The Inspector General is hereby authorized by the Board, pursuant to the authority vested in it under the Office of the Inspector General Charter (OIG Charter), to issue subpoenas to compel the attendance of witnesses for purposes of examination and the production of documents and other items for inspection and/or duplication when requested by the Inspector General.
 - g) Report the results of investigations to the Audit Committee undertaken by the OIG; and

4. Scope

The powers and duties of the Inspector General shall extend, except as otherwise limited in this Section, to the conduct of the following:

- a) All officers of the Authority in the performance of their official duties;
- b) All employees of the Authority in the performance of their duties;
- c) Members of the Board;
- d) All agents acting on behalf of the Authority; and
- e) All contractors, vendors, subcontractors, consultants, licensees and their respective employees, providing, or seeking to provide goods or services to the Authority pursuant to a contract with the Authority.
- f) If the OIG receives a report of an allegation pertaining to an Audit Committee Member, the Inspector General shall notify the Audit Committee Chair; if the OIG receives a report of an allegation pertaining to the Audit Committee Chair, the Inspector General shall notify the Chairperson of the Board (the "Chairperson") and if the OIG receives a report of allegation pertaining to the Chairperson, then the Inspector General shall confer with the Vice-Chairperson and the Chief Legal Officer to discuss whether an independent firm

should be retained to investigate the matter. The Inspector General shall maintain oversight of the investigation.

- g) In the event of an allegation against any members of the OIG, the Chief Legal Officer shall review the complaint and notify the Chairperson to confer whether an investigation is warranted. The Chairperson may appoint an independent investigative firm to conduct the investigation, if is warranted.

5. Duty to Cooperate

All Authority employees, officers, Board members, contractors, vendors, subcontractors, consultants, agents, licensees and their respective employees, conducting business for or on behalf of the Authority, have a duty to cooperate with the OIG in any and all inquiries undertaken by the OIG pursuant to the OIG Charter; and each department's premises associated with the Authority or doing business with the Authority shall be made available, as soon as practicable, all documents requested by the OIG including but not limited to equipment, personnel, books, records (in any form) and paper, as deemed relevant by the OIG.

Any employee who refuses to cooperate with the OIG in any and all inquiries pursuant to the OIG Charter maybe be subject to disciplinary action up to and including termination. Any third party conducting business with the Authority or receiving funds and acting on behalf of the Authority who refuses to cooperate with the OIG could result in the cancellation of the existing contract or any other remedy available to the Authority.

6. Duty to Report

It shall be the duty of every employee of the Authority, Board members, contractors, vendors, subcontractors, consultants, agents, licensees and their respective employees to report any fraud, mismanagement, waste of funds or resources, abuse of authority, misconduct, conflicts of interest, ethical violations or other improper act, by another, involving Authority business or the Authority's assets.

Any employee found to have knowledge of such acts and who does not report them as required herein, may be subject to discipline, up to and including termination.

The failure of any contractors, vendors, subcontractors, consultants, agents or licensees and their respective employees found to have knowledge of such acts to affirmatively report such knowledge to the OIG could result in cancellation of the existing contract and disqualification from further transactions with the Authority as deemed appropriate.

7. Reporting Results of Investigations or Reviews

Upon conclusion of an investigation or review, the Inspector General shall issue a summary report thereon, a copy of which shall be provided to the Audit Committee upon their request.

The report shall not mention the name of any informant, complainant, witness or person investigated or reviewed, unless otherwise authorized by the Audit Committee.

The report shall include the following:

- a) A description of any complaints or other information received by the Inspector General pertinent to the investigation;
- b) A description of any waste, fraud, mismanagement, misconduct or unethical or illegal activities observed in the course of the investigation;
- c) Recommendations to the CEO for disciplinary, administrative or other action as deemed appropriate; and
- d) Such other information as the Inspector General may deem relevant to the investigation or review and any resulting recommendations.

8. Prohibition of Retaliation

No person shall retaliate against, punish or penalize any other person for complaining to, cooperating with or assisting the Inspector General in the performance of his or her office. The Inspector General shall investigate allegations of retaliation in the same manner as other OIG investigations.

9. Quarterly Report

No later than the fifteenth day of January, April, July and October of each year, the Inspector General shall file with the Audit Committee a quarterly report, accurate as of the last day of the preceding month, indicating the number of investigations and reviews initiated since the date of the last quarterly report, the number of investigations and reviews concluded since the last quarterly report, and the number of investigations and reviews pending as of the reporting date. The Quarterly and Annual report shall not contain any factual information (other than statistical data) pertaining to on-going investigations.

The quarterly report shall also include the number of investigations and reviews of the conduct of officers, contractors, vendors, subcontractors, consultants, agents and licensees of the Authority. The quarterly report shall identify any investigation or review which has not been completed within six months and state the reasons for failure to complete the investigation or review within six months. The quarterly report shall include the number of investigations and reviews involving alleged waste, fraud, mismanagement, misconduct or unethical or illegal activities.

10. Annual Report

No later than the first day of February of each year, the Inspector General shall file with the Audit Committee an annual report, accurate as of the last day of the preceding calendar year, that includes a consolidated version of all information provided in that year's quarterly reports, a consolidated version of that year's summary reports a description of any actual or potential waste, fraud, mismanagement, misconduct or unethical or illegal activities within the Authority, recommendations to the Board of policies and methods for the elimination or prevention of such waste, fraud, and abuse, and any additional information which the Inspector General deems appropriate.

11. Confidentiality

All files and reports of the OIG shall be confidential and shall not be divulged to any person or agency, except (a) to appropriate federal, state or local law enforcement authority and other offices of Inspector General, (b) as otherwise provided in this OIG Charter, (c) as otherwise authorized by the Audit Committee, (d) as otherwise authorized in public reporting of Quarterly and Annual Reports, or (e) as otherwise required by law.

12. Public Reporting

Except as otherwise provided herein, the Inspector General is authorized to publish the following: (a) Quarterly Reports and (b) Annual Reports as stated herein which will contain the following information in addition to those enumerated in previous sections 9 and 10: (i) if an investigation exonerates a person who is publicly known to have been under investigation, where such person requests such a statement; (ii) a summary of each investigation resulting in a sustained finding of misconduct; and (iii) if an investigation, audit or inspection identifies fraud, waste, abuse or mismanagement.

Additionally, the summary shall briefly state, without disclosing the name of any individual who was the subject of such investigation: (a) the nature of the allegation or complaint; (b) the specific violation resulting in sustained findings; (c) the Inspector General's recommendation for discipline or other corrective measures; and (d) the Authority's response to and final decision on the Inspector General's recommendation.

All criminal investigations that result in a court disposition (plea of guilty, acquittal, or finding of guilty) shall be summarized in the same manner, except for the identity of the subject which shall not be confidential.

13. Effective Date

This *Office of the Inspector General Charter* shall be in full force and effect upon its adoption by resolution of the Board of Commissioners and shall supersede the OIG Charter that was previously approved by the Board on August 12, 2015.

SCHEDULE D

**PUBLIC PARTICIPATION RULES FOR
BOARD AND COMMITTEE MEETINGS**

Public participation at the meetings of the Board of Commissioners (“Board”) of the Chicago Housing Authority (“Authority”) and the Committees established by the Board is intended to provide residents and interested persons with the opportunity to comment on issues or topics that are within the purview of the Board or Committee, as the case may be.

Public participation shall occur in accordance with the procedures set forth below:

1. Although the public has the right and is invited to attend meetings of the Board and its Committees, no individual or group has the right to enter into the deliberations of the Board or Committees.
 - With respect to Board meetings, unless input is solicited by the Board, communications by members of the public will be limited to the portion of the meeting designated on the agenda as the time for “Public Comment.”
 - With respect to Committee meetings, unless input is solicited by the Committee, communications by members of the public shall be entertained only if they are related to a specific agenda item. Participation by the public on an agenda item may begin after the Committee has heard staff’s presentation (if any) on such item and discussed same. Multiple cards must be completed if speakers have questions on more than one item.
2. Speakers must register at the sign-in desk and complete a speaker’s card. Registration will close the *later* of: a) 5 minutes after the meeting begins, or b) within 5 minutes after the Committee or Board returns from closed session and reconvenes the open meeting. The Board or Committee Chairperson will advise attendees when 5 minutes are left for speakers to register.

Alternatively, advance registration is available on-line prior to the Board or Committee meeting by visiting <http://www.thecha.org/about/submit-for-public-comment/>. Committee meeting on-line registration opens at 9:00 a.m. on the Friday preceding Committee meeting and closes at 5:00 p.m. on the Tuesday preceding committee meeting date. Board meeting on-line registration opens at 9:00 a.m. on the Thursday preceding Board meeting and closes at 12:00 noon on the Monday preceding board meeting date.

3. Speakers will appear individually and will be afforded attention and respect. When called upon, the person shall come to the podium or designated speaking area; state his/her name and address; and, if speaking for an organization or other group, identify the group represented. Groups must select a maximum of two representatives to speak on their behalf. No person may speak without first being recognized by the Chairperson. All remarks should be addressed to the Board/Committee as a whole, not to individual Commissioners, Committee members, or staff.
4. Each speaker has two (2) minutes to speak and will be advised by the time-keeper when 30 seconds remain. Speakers are not allowed to cede their time to any other person.

- With respect to Board meetings, there shall be a cumulative limit of sixty minutes available for public comment. If requested by the Chairperson and approved by majority vote of the Board, the time allocation for individuals and/or the cumulative limit may be altered based upon the number of persons registered to speak.
 - With respect to Committee meetings, the period available for public comment may be limited if requested by the Chairperson and approved by majority vote of the Committee.
 - The Board or Committee, as the case may be, has discretion to restrict comments that are repetitive or redundant.
 - The Board or Committee will restrict comments that are inappropriate.
5. Courteous, respectful and civil behavior is expected from all speakers and all persons attending a Board or Committee meeting. Personal attacks, abusive or intemperate language and unsubstantiated allegations leveled at Commissioners, staff, property managers, resident leaders or other residents are prohibited. Individuals who are disruptive may be given a warning and will, if necessary, be removed from the meeting. If any individual is removed from a meeting as a result of disruptive behavior, then the individual may forfeit his or her right of re-entry to future Board and Committee meetings.
 6. Written comments and/or literature will be accepted at Board and Committee meetings from a) registered speakers, including speakers who are unable to complete their comments in the allotted time, and b) individuals who wish to speak but are unable to address the Board or Committee. As is the case with respect to oral communications, written materials will not be accepted if they are outside the purview of the Board or Committee; contain personal attacks, abusive or intemperate language or unsubstantiated allegations; or relate to current or prospective bids.
 7. All persons attending a Board or Committee meeting shall turn off or silence their cell phones while the meeting is in session.
 8. Current or prospective vendors wishing to present product or services for purchase should not use the public participation portion of a Board or Committee meeting for this purpose. Vendors will, as appropriate, be referred to procurement or finance staff.

The Board or Committee Chairperson will have the discretion to withdraw a speaker's right to address the Board or Committee if any of the above rules are violated.

The following additional procedures shall apply to Board meetings only:

9. Residents with specific property complaints or concerns will be referred to the appropriate Authority staff person or property manager present at the meeting.

10. Responses to general questions or complaints having Authority-wide applicability will be provided, in writing, at the next regularly scheduled Board meeting and on the CHA's Website.

Persons who wish additional information on CHA's Plan Forward are encouraged to visit the website www.thecha.org, or call the public information office at (312) 913-7588 for written materials.