

CHA BOARD APPROVED ETHICS POLICY

CHANGE.
CHICAGO HOUSING AUTHORITY

Approved by CHA Board of Commissioners
June 15, 2004

CHA ETHICS POLICY

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CHA ETHICS POLICY

ARTICLE I. DEFINITIONS

Whenever used in this Ethics Policy the following terms shall have the following meanings:

- (a) “Administrative action” means any decision on, or any proposal, consideration, enactment or making of any rule, regulation, or any other official nonministerial action or non-action by any department, or by any Officer or Employee of any department, or any matter which is within the official jurisdiction of the Chief Executive Officer.
- (b) “Board of Commissioners” means the governing body of the CHA which establishes, approves, and/or enacts policies for the CHA.
- (c) “Business relationship” means any contractual or other private business dealing of any Officer or Employee, or of his or her spouse, or of any entity in which the Officer or Employee or his or her spouse has a financial interest with a Person or entity which entitles the Officer or Employee to compensation or payment in the amount of \$2,500 or more during the prior twelve months.

Provided, however, that the exclusions applicable to a “Financial interest,” as set forth in subsection (n), except for the exclusion set forth as (n)(a), shall also apply with respect to a “business relationship.” “Contractual or other private business dealing” shall not include any employment relationship of an Officer or Employee’s spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the CHA. For purposes of this Policy only, “compensation or payment” as used in the definition of “business relationship” shall not include any income from an employer-sponsored pension plan.

- (d) “CHA” means the Chicago Housing Authority.
- (e) “Compensation” means money, thing of value or other pecuniary benefit received or to be received in return for, or as reimbursement for, services rendered or to be rendered.
- (f) “Contractor” means any entity or Person (including his agents or employees acting within the scope of their employment) doing business with the CHA.
- (g) “Contract management authority” means personal involvement in or direct supervisory responsibility for the formulation or execution of a CHA contract, including without limitation, the preparation of specifications, evaluation of bids or proposals, negotiation of contract terms or supervision of performance.

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- (h) “Doing business” means any one or any combination of sales, purchases, leases or contracts to, from or with the CHA in an amount in excess of \$10,000.00 in any 12 consecutive months.
- (i) “Economic interest” means any interest valued or capable of valuation in monetary terms; provided, that “economic interest” is subject to the same exclusions as “Financial interest.”
- (j) “Employee” means an individual employed by the CHA, whether part-time or full-time, but excludes paid and unpaid members of the Board of Commissioners.
- (k) “Ethics Officer” means the person responsible for monitoring and enforcing the CHA Ethics Policy.
- (l) “Expenditure” means a payment, distribution, loan, advance, deposit, or gift of money or anything of value.
- (m) “Financial interest” means (i) any interest as a result of which a Person currently receives or is entitled to receive in the future more than \$2,500.00 per calendar year; (ii) any interest with a cost or present value of \$5,000.00 or more; or (iii) any interest representing, or resulting from ownership of, more than ten (10) percent of a privately held corporation, limited liability company, partnership, sole proprietorship, firm, enterprise, franchise, organization, holding company, joint stock company, receivership, trust, or any legal entity organized for profit. Financial interest shall not include (a) any interest of the spouse of an Officer or Employee which interest is related to the spouse's independent occupation, profession or employment; (b) any ownership through purchase at fair market value or through exchange of shares through acquisition or merger or inheritance of less than one percent of the shares of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (c) the authorized compensation paid to an Officer or Employee for his office or employment; (d) any economic benefit provided equally to all tenants of the CHA or to the public; (e) a time or demand deposit in a financial institution; (f) an endowment or insurance policy or annuity contract purchased from an insurance company.
- (n) “Gift” means any thing of value given without consideration or expectation of return.
- (o) “Immediate family member” means mother, father, grandmother, grandfather, grandchildren, brother, and sister.
- (p) “Officer” means any paid or unpaid member of the CHA Board of Commissioners.
- (q) “Person” means any individual, entity, corporation, limited liability company, partnership, sole proprietorship, firm, association, union, trust, estate, as well as any parent or subsidiary of any of the foregoing, whether or not operated for profit.

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- (f) “Political activity” means:
- (1) Serving as an officer of a political party, of a political club, or of an organization relating to a campaign for elected office (“organization”); as a member of a national, state or local committee of a political party, club or organization; as an officer or member of a committee of a political party, club or organization; or being a candidate for any of these positions;
 - (2) Organizing or reorganizing a political party, club or organization;
 - (3) Directly or indirectly soliciting, receiving, collecting, handling, disbursing, or accounting for assessments, contributions, or other funds for any political party, political fund, candidate for elected office, candidate for political party office, or any committee thereof or committee which contributes to any of the foregoing;
 - (4) Organizing, selling tickets to, promoting, or actively participating in a fundraising activity of a public officer holder, candidate in an election or political party, political club or an organization;
 - (5) Taking an active part in managing the political campaign of a candidate for public office in an election or a candidate for political party office;
 - (6) Becoming a candidate for, or campaigning for, an elective public office in an election;
 - (7) Soliciting votes in support of or in opposition to a candidate for public office in an election or a candidate for political party office;
 - (8) Acting as recorder, watcher, challenger or similar officer at the polls on behalf of a political party or a candidate in an election;
 - (9) Driving voters to the polls on behalf of a political party or candidate in an election;
 - (10) Endorsing or opposing a candidate for public office in an election or a candidate for political party office in a political advertisement, a broadcast, campaign literature, or similar material, or distributing such material;
 - (11) Serving as a delegate, alternate, or proxy to a political party convention;
 - (12) Addressing a convention, caucus, rally, or similar gathering in support of or in opposition to a candidate for public office or political party office;

- (13) Initiating or circulating a nominating petition for elective office;
 - (14) Soliciting, collecting, or receiving a political contribution or a contribution for any political party, political fund, candidate for elected office, candidate for political party office, or any committee thereof or committee which contributes to any of the foregoing; or
 - (15) Paying or making a political contribution or a contribution for any political party, political fund, candidate for elected office, candidate for political party office, any committee thereof or committee which contributes to any of the foregoing.
- (s) “Political contribution” means any gift, subscription, loan, advance, deposit of money, allotment of money, or anything of value given or transferred by one person to another, including in cash, by check, by draft, through a payroll deduction or allotment plan, by pledge or promise, whether or not enforceable, or otherwise, for purposes of influencing in any way the outcome of any election. For the purposes of this definition, a political contribution does not include:
- (1) A loan made at a market rate by a lender in the ordinary course of business;
 - (2) The use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual in rendering voluntary personal services on the individual's residential premises for candidate-related activities; provided the value of the service provided does not exceed an aggregate of \$150.00 in a reporting period as defined in Article 9 of the Illinois Election Code;
 - (3) The sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor.
- (t) “Political fundraising committee” means any fund, organization, political action committee or other entity that, for purposes of influencing in any way the outcome of any election, receives or expends money or anything of value or transfers money or anything of value to any other fund, political party, candidate, organization, political action committee, or other entity.
- (u) “Relative” means a Person who is related to an Officer or Employee as spouse or as any of the following, whether by blood or by adoption: parent, child, brother or sister, aunt or uncle, great aunt or great uncle, first cousin, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister, half-brother or half-sister and includes the grandfather or grandmother of the Person’s spouse and the Person’s fiancé or fiancée.

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- (v) “Reporting individual” includes the following persons:
 - (1) Each Officer; and
 - (2) Each Employee who is compensated for services or occupies a budgeted position as an Employee at a rate established by the Ethics Officer pursuant to Article III, Section 1(a).
- (w) “Resolution” means any resolution, amendment, report or any other matter pending or proposed to the Board of Commissioners or a committee or a subcommittee including any other matters which may be the subject of a Board of Commissioners’ action.
- (x) “Seeking to do business” means (1) taking any action within the past six (6) months to obtain a contract or business from the CHA when, if such action were successful, it would result in the Person's doing business with the CHA; and (2) the contract or business sought has not been awarded to any Person.
- (y) “Subcontractors” means any entity or Person (including officers, agents, or employees acting within the scope of their employment) paid, directly or indirectly, with CHA funds for services which will inure to the benefit of the CHA, regardless of the nature of the relationship of such individual to the CHA for purposes other than this policy.
- (z) “Vendor” means any Person who has provided goods or services to the CHA pursuant to contract and has been paid an amount totaling more than \$10,000 for those goods or services within any consecutive 12-month period in the past four years.

ARTICLE II. CODE OF CONDUCT

Section 1. Fiduciary Duty

Officers and Employees of the CHA shall at all times in the performance of their duties owe a fiduciary duty to the CHA.

Section 2. Applicability

This Policy applies to all CHA Officers, Employees, Contractors and Subcontractors. All Officers, Employees and Contractors shall sign a statement acknowledging that they (1) have received a copy of this Policy, (2) have read its contents, (3) agree to adhere to its provisions, and (4) may be subject to sanctions, up to and including immediate dismissal or removal, if they violate any provisions of this Policy.

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Section 3. Improper Influence

No Officer or Employee shall make, participate in making or in any way attempt to use his position to influence any CHA decision or action in which he knows or has reason to know that he has any Economic interest distinguishable from its effect on the public generally.

Section 4. Offering, Receiving and Soliciting Gifts or Favors

- (a) No Person shall give to any Officer or Employee, or to the spouse or minor child of either of them, or any Immediate family member residing with the Officer or Employee, and none of them shall solicit or accept, any anonymous gift.
- (b) No Person shall give or offer to give to any Officer, Employee or Contractor, or to the spouse or minor child of either of them, or any Immediate family member residing with the Official or Employee, and none of them shall accept, anything of value, including, but not limited to, a gift, favor or promise of future employment, based upon any mutual understanding, either explicit or implicit, that the votes, official actions, decisions or judgments of any Officer, Employee or Contractor, concerning the business of the CHA would be influenced thereby. It shall be presumed that a nonmonetary gift having a value of less than \$50.00 does not involve such an understanding.
- (c) No Person who has an Economic interest in a specific CHA business, service or regulatory transaction, shall give, directly or indirectly, to any CHA Officer or Employee whose decision or action may substantially affect such transaction, or to the spouse, minor child of any of them, or any Immediate family member residing with the Officer or Employee, and none of them shall accept, any gift of (i) cash or its equivalent regardless of value, or (ii) an item or service other than a gift with a value of less than \$50.00 as long as the items or services from any one source do not exceed a cumulative value of \$100 during any calendar year. Nothing herein shall be construed to prohibit any such Person from accepting any gift from a Relative.
- (d) Except as prohibited in subsections (a) and (b), nothing in this section shall prohibit any Person from giving or receiving: (i) an award publicly presented in recognition of public service; (ii) commercially reasonable loans evidenced in writing with repayment due by a date certain made in the ordinary course of the lender's business; (iii) political contributions, provided they are reported to the extent required by law; (iv) reasonable hosting, including travel and expenses, entertainment, meals or refreshments furnished in connection with public events, appearances or ceremonies related to official CHA business, if furnished by the sponsor of such public event.
- (e) Any gift given in violation of the provision of this section shall be turned over to the Ethics Officer, as soon as practicable, but no later than 30 days after its receipt, who shall add the gift to the inventory of CHA property.

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- (f) Nothing in this section shall prohibit any Officer or Employee, or his spouse or minor child, or any Immediate family member residing with the Officer or Employee, from accepting a gift on the CHA's behalf; provided, however, that the Person accepting the gift shall promptly report receipt of the gift to the Ethics Officer, who shall add it to the inventory of CHA property.
- (g) Any Officer or Employee who receives any gift or money for participating in the course of his CHA public employment in speaking engagements, lectures, debates or organized discussion forums shall report it to the Ethics Officer within five (5) business days.

Section 5. Solicitation or Receipt of Money for Advice or Assistance

No Officer or Employee, or the spouse or minor child of any of them, or any Immediate family member residing with the Officer or Employee shall solicit or accept any money or other thing of value including, but not limited to, gifts, favors, services or promises of future employment, in return for advice or assistance on matters concerning the operation or business of the CHA; provided, however, that nothing in this section shall prevent an Officer or Employee or the spouse of an Officer or Employee from accepting compensation for services wholly unrelated to the Officer's or Employee's CHA duties and responsibilities and rendered as part of his or her non-CHA employment, occupation or profession if the Employee has complied with the approval provisions of Article II, Section 11.

Section 6. CHA-Owned Property

No Officer, Employee, or Contractor shall engage in or permit the unauthorized use of CHA-owned property. Nothing in this provision prohibits Officers and Employees from utilizing telephone, facsimile, pagers, and computer equipment for limited personal use consistent with CHA's Communications Equipment Policy.

Section 7. Use or Disclosure of Confidential Information

No current or former Officer or Employee shall use or disclose, other than in the performance of his official duties and responsibilities, or as may be required by law, confidential information gained in the course of or by reason of his position or employment. For purposes of this section, "confidential information" means any information that may not be obtained pursuant to the Illinois Freedom of Information Act, or disclosed under the Illinois Open Meetings Act, or obtained without a court order.

Section 8. Conflicts of Interest; Appearance of Impropriety

- (a) No Officer or Employee shall make or participate in the making of any policy, governmental, or administrative decision with respect to any matter in which he has any Economic interest distinguishable from that of the general public.

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- (b) To avoid even the appearance of impropriety, any Officer who:
- (1) has any Economic interest in any matter pending before the CHA distinguishable from that of the general public; or
 - (2) has a Business relationship with a Person or entity with a matter pending before the CHA Board of Commissioners or any board committee that requires board action,
- shall publicly disclose the nature and extent of such interest or Business relationship on the records of proceedings of the Board of Commissioners, and shall also notify the Ethics Officer of such interest within 72 hours of delivery of information regarding the matter to the board member, or as soon thereafter as the member is or should be aware of such potential conflict of interest. The Ethics Officer shall make such disclosures available for public inspection and copying immediately upon receipt. The board member shall abstain from voting on the matter but shall be counted present for purposes of a quorum. The obligation to report a potential conflict of interest under this subsection arises as soon as the member of the CHA Board of Commissioners is or should be aware of such potential conflict.
- (c) Any Officer or Employee who has a Financial interest in any matter pending before the CHA shall disclose the nature of such interest to the Ethics Officer and the General Counsel and, if the matter is pending in his own department, to the head of the department, except as provided by subsection (b). The obligation to report under this subsection arises as soon as the Officer or Employee is or should be aware of the pendency of the matter. This subsection does not apply to applications for health, disability or workers' compensation benefits.

Section 9. Representation of Other Persons

- (a) No Officer or Employee may represent, or have an Economic interest in the representation of, any Person other than the CHA in any formal or informal proceeding or transaction before the CHA in which the CHA's action or non-action is of a nonministerial nature; provided that nothing in this subsection shall preclude any Employee from performing the duties of his employment, or any appointed Officer from appearing without compensation before the CHA on behalf of his constituents in the course of his duties as an appointed Officer.
- (b) No Officer or Employee may have an Economic interest in the representation of any Person, in any judicial or quasi-judicial proceeding before any administrative agency or court in which the CHA is a party and that Person's interest is adverse to that of the CHA, or in any judicial or quasi-judicial proceeding before any administrative agency or court in which the CHA may be liable for the judgment or may be obligated to indemnify any of the parties.

- (c) No Officer or Employee may represent any Person in the circumstances described in subsection (a) or (b) unless the matter is wholly unrelated to the Officer's or Employee's CHA duties and responsibilities.

Section 10. Post-Employment Restrictions

- (a) No former Officer or Employee shall assist or represent any Person other than the CHA in any judicial or administrative proceeding involving the CHA, if the Officer or Employee was counsel of record or participated personally and substantially in the proceeding during his term of office or employment.
- (b) No former Officer or Employee shall, for a period of one year after the termination of the Officer's or Employee's term of office or employment, assist or represent any person in any business transaction involving the CHA, if the Officer or Employee participated personally and substantially in the subject matter of the transaction during his term of office or employment; provided, that if the Officer or Employee exercised contract management authority with respect to a contract this prohibition shall be permanent as to that contract.
- (c) The provisions of subsection (b) do not apply to any former Officer or Employee who is acting within the scope of his employment while employed by any other governmental unit.

Section 11. Outside Employment

An Employee desiring to engage in outside employment shall obtain a written request for approval from his department head before accepting employment. The department should provide copies of the written request form for outside employment to the Ethics Officer, Human Resources Director, and the General Counsel. A copy of the approved application shall be kept permanently in the Employee's personnel file. No Officer or Employee shall engage in any outside employment that conflicts with any provision of this Policy.

Section 12. Interest in CHA Business

No Officer or Employee shall have a Financial interest in his own name or in the name of any other Person in any contract, subcontract, work or business of the CHA, or in the sale of any article, whenever the expense, price or consideration of the contract, work, business or sale is paid with funds belonging to or administered by the CHA. Compensation for property taken pursuant to the CHA's eminent domain power shall not constitute a Financial interest within the meaning of this section. Unless sold pursuant to a process of competitive bidding following public notice, no Officer or Employee shall have a Financial interest in the purchase of any property that (i) belongs to the CHA, or (ii) is sold by virtue of legal process initiated by the CHA. No Officer or Employee shall engage in a transaction described in this section unless the matter is wholly unrelated to the Officer's or Employee's CHA duties and responsibilities.

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Section 13. Prohibited Conduct

- (a) No Officer or Employee or the spouse of such Officer or Employee, or any entity in which such Officer or Employee or his or her spouse has a Financial interest, shall apply for, solicit, accept or receive a loan of any amount from any Person who is either Doing business or seeking to do business with the CHA; provided, however, that nothing in this section prohibits application for, solicitation for, acceptance of or receipt of a loan from a financial lending institution, if the loan is negotiated at arm's length and is made at a market rate in the ordinary course of the lender's business. This subsection shall not apply to an entity in which the only financial interest of the Officer or Employee or his or her spouse is related to the spouse's independent occupation, profession or employment.
- (b) No Officer, or the head of any CHA department, shall knowingly retain or hire as a CHA Employee or CHA contractor any Person with whom any Officer or Employee has a Business relationship. For purposes of this section, "Business relationship," shall have that meaning attributed to it in Article I(c).

Section 14. Employment of Relatives

- (a) No Officer or Employee shall employ, advocate for employment, or supervise, in any CHA department in which said Officer or Employee serves or over which he exercises authority, supervision, or control, any Person (i) who is a Relative of said Officer or Employee, or (ii) in exchange for or in consideration of the employment of any of said Officer's or Employee's Relatives by any other Officer or Employee.
- (b) No Officer or Employee shall exercise Contract management authority where any Relative of the Officer or Employee is employed by or has contracts with Persons doing CHA work over which the Officer or Employee has exercised or exercises Contract management authority over any CHA contract if a Relative of the Officer or Employee will perform any part of the contract, or will derive an economic benefit from the contract, or if any relative exercises or has exercised contract management authority over the contract.
- (c) No Officer or Employee shall use or permit the use of his position to assist any Relative in securing employment or contracts with Persons over whom the Employee or Officer exercises Contract management authority. The employment of or contracting with a Relative of such a CHA Officer or Employee by such a Person within six months prior to, during the term of, or six months subsequent to the period of a CHA contract shall create a rebuttable presumption that said employment or contract was obtained in violation of this Policy .

Section 15. Solicitation or Acceptance of Political Contributions and Membership on Political Fundraising Committees

- (a) The Hatch Act, 5 U.S.C. §1501 et. seq. restricts the political activity of Employees in that they (i) may not be candidates for public office in a partisan election; (ii) may not use official authority or influence for the purpose of interfering with or affecting the results of an election or a nomination for office; or (iii) may not directly or indirectly coerce contributions from another Officer or Employee in support of a political party or candidate.
- (b) No Officer or Employee shall compel, coerce or intimidate any other Officer or Employee to make, refrain from making or solicit any Political contribution or engage in Political activities during working hours. Nothing in this section shall be construed to prevent any Officer or Employee from voluntarily making or soliciting an otherwise permissible contribution or from receiving an otherwise permissible voluntary contribution.
- (c) No Officer or Employee shall knowingly solicit or accept any Political contribution from a Person Doing business or seeking to do business with the CHA.
- (d) No Person with Contract management authority shall serve on any Political fundraising committee.

ARTICLE III. FINANCIAL DISCLOSURE

Section 1. Statements of Financial Interests

- (a) On or before January 1st of each year, the Ethics Officer shall issue a statement indicating the rate of compensation that will require reporting under this section. Such statement shall be based upon the Annual Average of the U.S. City Average Consumer Price Index for Urban Wage Earners and Clerical Workers (C.P.I.W.) published by the U.S. Department of Labor, Bureau of Labor Statistics. The statement issued by the Ethics Officer each year shall reflect the percent change that occurred between the most recently published Annual Average of the C.P.I.W. and the Annual Average published in the previous year;
- (b) Each Reporting individual shall file by May 1st of each year a verified written statement of financial interests in accordance with the provisions of this article, unless he has already filed a statement with the Ethics Officer in that calendar year. A statement of financial interests is considered filed when it is properly completed and received by the Ethics Officer.
- (c) Statements of financial interests shall also be filed by the following:
 - (i) A Person whose employment with the CHA is subject to consideration and approval by the CHA Board when the request to approve his employment is submitted to the Board for consideration;

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- (ii) Any other Person, when he becomes a Reporting individual, including Officers or Employees who become Reporting individuals because they are newly hired or appointed or are receiving pay increases.
- (d) The Department of Human Resources shall cooperate with the Ethics Officer in notifying Persons listed in subdivisions (i) and (ii) of subsection (c) of this section of their obligation to file statements of financial interests and in effecting the filing of such statements.
- (e) No Officer or Employee shall be allowed to perform his duties, nor shall receive compensation from the CHA, unless he has filed a statement of financial interests with the Ethics Officer as required by this chapter. Any Officer or Employee who fails to file a statement of financial interests shall be referred to the General Counsel and the Chair of the Board of Commissioners to determine what further action should be taken.

Section 2. Content of Statements

Statements of financial interests shall contain the following information:

- (a) The name, address, and type of any professional, business or other organization (other than the CHA) in which the Reporting individual was an officer, director, associate, partner, proprietor of employee, or served in any advisory capacity, and from which any income in excess of \$2,500.00 was derived during the previous calendar year;
- (b) The nature of any professional, business or other services rendered by the Reporting individual or by his or her spouse, or by any entity in which the Reporting individual or his or her spouse has a Financial interest, and the name and nature of the Person or entity (other than the CHA) to whom or to which such services were rendered if, during the preceding calendar year, (1) compensation in excess of \$5,000 was received for professional or other services by the Reporting individual, or by such Reporting individual's spouse, or by an entity in which the Reporting individual or his or her spouse has a Financial interest and (2) the Person or entity was doing business with the CHA;
- (c) The identity of any capital asset, including the address or legal description of real estate, from which the Reporting individual realized a capital gain of \$5,000.00 or more in the preceding calendar year other than the sale of the Reporting individual's principal place of residence;
- (d) The name of any unit of government, other than the CHA, which employed the Reporting individual during the preceding calendar year;

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- (e) The name of any Person from whom the Reporting individual received during the preceding calendar year one or more gifts or honoraria having an aggregate value in excess of \$500.00 but not including gifts from Relatives;
- (f) The name and instrument of ownership in any Person conducting business with the CHA, in which the Reporting individual had a Financial interest during the preceding calendar year. Ownership interests in publicly held corporations and Real Estate Investment Trusts (“REITS”) need not be disclosed;
- (g) The identity of any Financial interest in CHA-owned real estate or real estate rented to individuals holding Section 8 Certificates, other than the principal place of residence of the Reporting individual and the address, or, if none, the legal description of the real estate, including all forms of direct or indirect ownership such as partnerships or trusts of which the corpus consists primarily of real estate;
- (h) The name of any Person Doing business with the CHA with whom the Reporting individual had a Financial interest during the preceding calendar year, and the title or description of any position held by the reporting individual in such Person;
- (i) The name and instrument of debt of all debts in excess of \$5,000.00 owed by the Reporting individual, as well as the name and instrument of debt of all debts in excess of \$5000.00 owed to the Reporting individual, but only of the creditor or debtor, respectively, or any guarantor of the debt, has done work for or business with the CHA in the preceding calendar year. Debt instruments issued by financial institutions whose normal business includes the making of loans of the kind received by the reporting individual, and which are made at the prevailing rate of interest and in accordance with other terms and conditions standard for such loans at the time the debt was contracted need not be disclosed. Debt instruments issued by publicly held corporations and purchased by the reporting individual on the open market at the price available to the public need not be disclosed; and
- (j) That such reporting individual has not accepted or attempted to accept any bribes or kickbacks from a CHA Contractor or failed to report an offer of a bribe by a CHA Contractor in connection with a CHA contract.

Section 3. Form Statement of Financial Interest

The statement of financial interests required to be filed with the Ethics Officer shall be completed by typewriting or hand printing, and shall be verified, dated, and signed by the Reporting individual personally. It shall be submitted on a form prescribed by the Ethics Officer in consultation with the General Counsel.

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Section 4. Filing of Statements

- (a) No later than February 1st of each year, the Department of Human Resources shall certify to the Ethics Officer the names of the Persons described in Art. III, Sec. 1 who are required to file a statement of financial interests. In preparing this list, the Department of Human Resources shall list the names in alphabetical order and shall file a copy of the list with the Ethics Officer. Not less than 30 days before the due date for filing statements of financial interests, the Department of Human Resources shall certify to the Ethics Officer a supplemental list of those Persons described in Art. III, Sec. 1 who have, in the interim, become subject to the statement of financial interests filing requirement. The supplemental list shall be in the same form and shall be filed in the same manner as the original list certified to the Ethics Officer. In preparing this list, and the supplemental list, the Department of Human Resources shall provide names of the departments to which the Officers and Employees have been assigned.
- (b) Not later than March 1st of each year, the Ethics Officer shall, in writing, notify all Persons required to file statements of financial interests under this Article. Notice shall be by personal delivery or mail. The Ethics Officer may effect personal delivery of such notices by delivering the notices to the various department heads of the CHA for distribution to Employees. Department heads shall notify the Ethics Officer of those Employees who have not been served with such notice by April 1st. The Ethics Officer shall then take appropriate steps to notify such Persons by mail of the filing requirements. Employees shall be notified by mail at the last known address for them appearing in CHA records. The Ethics Officer may use the Department of Human Resources to effectuate all of his obligations hereunder.
- (c) The Ethics Officer shall deliver a receipt to each Person who filed a statement under this Policy, indicating that the Person has filed such statement and the date of such filing.
- (d) All statements of financial interests shall be available for examination and duplication by the public in the Office of the General Counsel during the regular business hours of the CHA except as otherwise provided by law. Each person examining or requesting duplication of a statement of financial interests must first complete a request form prepared by the Ethics Officer. The request form shall include the name, occupation, employer, address and telephone number of the examiner as well as the date of and reasons for such examination or duplication. A separate request form must be completed for each statement of Financial interests to be examined. Requests for the examination or duplication of a statement of financial interests shall be processed as soon as is practicable. Request forms shall be available in the Office of the General Counsel.

The Ethics Officer, through the Office of the General Counsel, shall promptly notify each Person required to file a statement of financial interests of each examination or duplication of his statement by sending to such person a copy of the completed request form. Costs of

duplicating the statement of financial interests shall be paid by the person requesting duplication.

- (e) No person shall use information in or copied from statements of financial interests required to be filed by this Policy or from lists compiled from such statements for any commercial purpose.

Section 5. Failure to File Statement by Deadline

- (a) If any Person who is required to file a statement of financial interests by May 1st of any year fails to file such a statement, the Ethics Officer shall by May 15th, notify such Person by certified mail of his failure to file by the specified date. Such Person shall file his statement on or before May 31st, along with a late filing fee of \$30.00. Any Person who fails to file his statement on or before May 31 shall be subject to a fine of \$10.00 per day until the statement is filed, up to a maximum of \$100.00. Failure to file by May 31st shall constitute a violation of this Policy, except as provided in subsection (c).
- (b) Any Person who first becomes subject to the requirement to file a statement of financial interests within 30 days prior to May 1st of any year shall be notified at that time by the appointing or employing authority of the obligation to file and shall file his statement at any time on or before May 31st without penalty. The appointing or employing authority shall notify the Ethics Officer of the identity of such Persons. If such Person fails to file such statement by May 31st, the Ethics Officer shall, within seven days after May 31st, notify such Person by certified mail of his failure to file by the specified date. Such Person shall file his statement of financial interests on or before June 15th, along with a late filing fee of \$30.00, with the Ethics Officer. Failure to file by June 15th shall constitute a violation of this Policy, except as provided in subsection (c).
- (c) Any Person who is required to file a statement of financial interests may effect one 30-day extension of time for filing the statement by filing with the Ethics Officer not less than ten 10 days before the date on which the statement is due, a declaration of his intention to defer the filing of the statement. The filing of such declaration shall suspend application of the late filing fee for the duration of the extension. Failure to file by the extended deadline shall constitute a violation of this chapter. A declaration of intention to defer filing is considered filed upon receipt by the Ethics Officer.

ARTICLE IV. CHA ETHICS OFFICER

Section 1. Appointment of Ethics Officer

There is hereby created and established the position of Ethics Officer. The Ethics Officer shall be responsible for monitoring and enforcing the Policy. The Ethics Officer shall be appointed by the General Counsel with preference given to an independent contractor outside of the CHA.

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June 15, 2004

Section 2. Powers and Duties

In addition to other powers and duties specifically mentioned in this Policy, the Ethics Officer shall have the following powers and duties:

- (a) To initiate and to receive complaints of violations of any of the provisions of this Policy and to investigate and act upon such complaints as provided by this Policy;
- (b) To conduct investigations, inquiries and hearings concerning any matter covered by this Policy, and to certify his own acts and records. In the process of investigating complaints of violations of this Policy, the Ethics Officer may request the issuance of a subpoena by the appropriate authority. The Ethics Officer may exercise appropriate discretion in determining whether to investigate and whether to act upon any particular complaint or conduct. When the Ethics Officer determines that assistance is needed in conducting investigations, or when required by law, the Ethics Officer shall request the assistance of other appropriate agencies;
- (c) To require the cooperation of Officers, Employees and other Persons whose conduct is regulated by this Policy, in investigating alleged violations of this Policy. Information reasonably related to an investigation shall be made available to the Ethics Officer by such Persons on written request;
- (d) To consult with Officers and Employees on matters involving ethical conduct;
- (e) To recommend such administrative action as he may deem appropriate to effectuate this Policy;
- (f) To request the assistance of the Office of the General Counsel to conduct research and analysis in the field of governmental ethics;
- (g) To prescribe forms for the disclosure and registration of information as provided in this Policy;
- (h) With the assistance of the Office of the General Counsel, to render advisory opinions with respect to the provisions of this Policy based upon a real or hypothetical set of circumstances, when requested in writing by an Officer or Employee, or by a Person who is personally and directly involved.
- (i) To carry out such educational programs as he deems necessary to effectuate the requirements and purpose of this Policy and to maintain records of these educational activities.
- (j) To conduct an ethics education seminar to be attended or viewed by each Officer and each Person identified by the Ethics Officer within 120 days of the effective date of this amended policy or within 120 days of becoming an Officer or Employee, and every four years

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thereafter. The seminar shall educate Persons as to their duties and responsibilities under this Policy. Any Officer or Employee who fails to comply with this section shall be subject to a \$500.00 fine.

Section 3. Actions on Complaints or Investigations

- (a) The Ethics Officer may use the Office of the General Counsel to conduct investigations prior to the conclusion of an investigation. The Ethics Officer shall give the Person under investigation notice of the substance of the complaint and an opportunity to present such written information as the Person may desire, including the names of any witnesses the Person wishes to have interviewed by the Ethics Officer.
- (b) At the conclusion of an investigation, the Ethics Officer shall prepare a written report, including a summary of any investigation conducted by the Office of the General Counsel, a complete transcript of any proceeding including, but not limited to, any testimony heard by the Ethics Officer, to be duly recorded by a qualified reporter, and including recommendations for such administrative or legal action as he deems appropriate. If the Ethics Officer determines that the complaint is not sustained, he shall so state in his report and shall notify the Person investigated and any other Person whom the Ethics Officer has informed of the investigation. If the Person investigated is an Employee and the Ethics Officer finds that corrective action should be taken, the Ethics Officer shall send his report to the head of the department in which the Employee works and to the General Counsel. If the Person investigated is a department head or appointed Officer, and the Ethics Officer finds that corrective action should be taken, the Ethics Officer shall send his report to the General Counsel and Chair of the Board of Commissioners. A Person to whom the Ethics Officer has transmitted a recommendation for action shall, within thirty (30) days of receipt of the recommendation from the Ethics Officer, detail, in writing, the actions taken on the recommendation and, to the extent that the Person declines to take any recommended action, provide a statement of reasons for his decision.

Nothing in this section shall preclude the Ethics Officer from notifying a Person, prior to or during an investigation, that a complaint against him is pending and, where appropriate, recommending to him corrective action; provided, however, that any such notification and recommendation shall be made in writing and a copy thereof shall be transmitted contemporaneously by the Ethics Officer to the General Counsel.

Section 4. Confidentiality

- (a) Complaints to the Ethics Officer and investigations and recommendations thereon shall be kept confidential by the Ethics Officer, the Chair of the Board of Commissioners and the General Counsel, except as necessary to carry out the powers and duties of the Ethics Officer or to enable another Person or agency to consider and act upon the notices and recommendations of the Ethics Officer, provided that, without identifying the Person

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complained against or the specific transaction, the Ethics Officer may (a) comment publicly on the disposition of his requests and recommendations and (b) publish summary opinions to inform CHA personnel and the public about the interpretation of provisions of this Policy.

- (b) Any Officer or Employee who is found to have publicly disclosed any information relating to an investigation or findings under this policy unless such disclosure is otherwise permitted under this policy, may be subject to sanctions up to and including dismissal or removal.

Section 5. Investigations by Other Agencies

- (a) If the Ethics Officer is reliably informed that a matter under investigation is also a matter under investigation by a law enforcement agency, the Ethics Officer may, but is not required to, suspend his investigation. If an investigation is suspended the Ethics Officer may reinstate his investigation upon the conclusion of the investigation by the law enforcement agency.
- (b) If the Ethics Officer has a reasonable basis for concluding that an investigation has revealed criminal conduct, the Ethics Officer shall refer the matter to the appropriate law enforcement authority.

ARTICLE V. PENALTIES FOR VIOLATION

Section 1. Sanctions

- (a) Any Officer or Employee found to have violated any of the provisions of this Policy, or to have furnished false or misleading information to the Ethics Officer with the intent to mislead, shall be subject to employment sanctions, including discharge, in accordance with procedures under which the Officer or Employee may otherwise be disciplined. Any Officer or Employee who intentionally files a false or misleading statement of financial interests, or knowingly fails to file a statement within the time prescribed in this Policy, or otherwise violates any provision of this Policy, shall be subject to sanctions up to and including dismissal or removal from office. The sanctions imposed by this subsection shall be in addition to any other applicable penalty.
- (b) Any Officer or Employee who intentionally violates any provision of Article II, Section 1 or Article II, Section 6 in a manner that would constitute a violation of Section 5-15 of the State Officials and Employees Ethics Act if the illegal action were committed by an employee or officer of the state government is guilty of a Class A misdemeanor as defined in the Illinois Criminal Code.
- (c) Any Person who solicits, offers, makes or accepts a gift in a manner which would constitute a violation of Section 10-10 of the State Officials and Employees Ethics Act if the illegal

action were committed by an employee or official of the state government shall be subject to a fine of not less than \$1,001 and not more than \$5,000.

- (d) Any Officer, Employee or Contractor who fails to provide documents or information requested by the Ethics Officer shall be subject to employment sanctions, removal from office or cancellation of contract rights.
- (e) Any CHA contractor found to have violated any provision of this Policy may be prohibited from entering into any contract with the CHA for one year.
- (f) All CHA contracts shall include a provision requiring compliance with this Policy. Any contracts negotiated, entered into, or performed in violation of any of the provisions of this Policy shall be void and/or voidable by the CHA. Any official action of the CHA obtained or undertaken in violation of any of the provisions of this Policy shall be invalid and without any force or effect whatsoever.

Section 2. Other Remedies and Policies

- (a) Nothing in this Policy shall preclude the CHA from maintaining an action for an accounting for any pecuniary benefit received by any Person in violation of this Policy or other law, or to recover damages for any acts or practices in violation of this Policy.
- (b) The procedures and penalties provided in this Policy are supplemental and do not limit either the power of the CHA to discipline Officers or Employees or take appropriate administrative action or to adopt more restrictive rules. Nothing in this Policy is intended to repeal or is to be construed as repealing the provisions of any other Policy.

Section 3. Access to list of CHA Vendors

- (a) The Department of Procurement and Contracts shall compile a list of all current CHA Vendors. The list shall be updated on a monthly basis and shall be made available to all Officers and senior staff by way of computer network. The list shall be made available to other Employees and to the public by: (1) the provision of a computer terminal that is placed in a readily accessible location; and (2) the provision of a telephone number which such persons may call with inquiries.
- (b) There shall be a presumption that any Person who reasonably relies on the aforementioned list to comply with this Policy is not in violation of the Policy if the purported violation is related to the identity of any CHA Vendor.

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