

ORDINANCE NO. 97-119

AN ORDINANCE AUTHORIZING AN
AMENDMENT TO ORDINANCE NO.
89-88 AUTHORIZING THE
ESTABLISHMENT OF A CODE OF
ETHICS FOR CHICAGO TRANSIT
AUTHORITY EMPLOYEES AND
OFFICIALS

WHEREAS, The Chicago Transit Board by Ordinance No. 89-88, and as thereafter amended, established a Code of Ethics for Chicago Transit Authority employees and officials; and

WHEREAS, The Chicago Transit Board wishes to revise certain sections of the Code of Ethics to incorporate changes and amendments; now, therefore:

BE IT ORDAINED BY CHICAGO TRANSIT BOARD
OF CHICAGO TRANSIT AUTHORITY:

SECTION 1. That Section 1-Definitions, of the Code of Ethics is hereby amended as follows: (additions are indicated by underline and deletions are indicated by strikeout).

O) "Official" means any person appointed to the CTA Board of Directors and any person appointed pursuant to the Metropolitan Transit Authority Act.

SECTION 2. That Section 2-Code of Conduct of the Code of Ethics is hereby amended as follows: (additions are indicated by underline and deletions are indicated by strike out).

2.4 Offering, Receiving and Soliciting Gifts, Favors.

b) No person shall give or offer to give to any official or employee or the spouse or minor child of either of them, and none of them shall solicit or 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 judgements of any official or employee would be influenced thereby. Notwithstanding the absolute and express prohibition on the giving or acceptance of any gift with the understanding that said gift will influence actions or decisions, it shall be presumed that an occasional non-monetary gift having a value of less than \$50 ~~or the occasional attendance at sporting or theatrical events within the City of Chicago metropolitan area~~ does not involve such an understanding.

c) No person who has an economic interest in a specific CTA business, service or regulatory transaction shall give, directly or indirectly, to any CTA official or employee whose decision or action may substantially affect such transaction, or to the spouse or minor child of such official or employee, and none of them shall accept or solicit any gift of (i) cash or its equivalent regardless of value, or (ii) an item or service other than an occasional one of nominal value (less than \$50) ~~or the occasional attendance at sporting or theatrical events within the City of Chicago metropolitan area~~; provided however, nothing herein shall be construed to prohibit such person from accepting gifts from relatives.

2.8 Conflicts of Interest.

b) No official or employee who holds the title of Manager or above, or relative of such person, shall make, have or hold any interest in any entity in which such person is able through their duties to affect or influence the past, present or future financial condition of the entity, either doing or seeking to do business with CTA.

~~b)~~ c) Any member of the Board of Directors who has any economic interest distinguishable from that of the general public in any matter pending before the Board of Directors or any committee or any subdivision thereof shall publicly disclose the nature and extent of such interest on the records of proceedings of the Board or Directors. He/she shall abstain from voting on the matter but counted present for the purposes of a quorum. The obligation to report a potential conflict of interest under this subsection arises as soon as the member of the Board of Directors is or should be aware of such potential conflict.

~~(e)~~ d) Any official or employee who has a financial interest in any matter pending before ~~any~~ the CTA ~~division~~ shall disclose the nature of such interest to the Ethics Committee and, if the matter is pending in his/her own division/department, to the head of that division or department or in the case of a division or department head, to the Executive Director/President or CTA Chairman as applies. The obligation to report under this subsection arises as soon as the official 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 3. That Section 3-Financial Disclosure, of the Code of Ethics is hereby amended as follows: (additions are indicated by underline and deletions are indicated by strikeout).

3.1 Statements of Financial Interest

a) ~~(ii) each employee who is compensated for services or occupies a budgeted position as an employee at a rate of \$40,000 per year or more, but not including those employees whose base salary is less than \$40,000 per year but who earn more than \$40,000 per year due to compensation for overtime hours worked, and~~ each employee who is required to file a disclosure of economic interest pursuant to the Illinois Governmental Ethics Act, 5 ILCS 420/4A-101, et seq.;

~~a) (iii) each employee who is compensated for services as an employee at a rate of less than \$40,000 per such employment, and also receives additional compensation either for professional services rendered to, or as an independent contractor for CTA in such an amount that his total income for service to CTA is \$40,000 per year or more.~~

b) Each reporting individual shall file by ~~October 1~~ May 1 of each year a verified written statement of financial interests in accordance with the provisions of this section. ~~unless he has already filed a statement in that calendar year.~~

c) Statements of financial interests shall also be filed by ~~the following:~~

~~(i) an official at the time of filing his/her oath of office;~~

~~(ii) a person whose appointment to office is subject to Board approval;~~

~~(iii) any other persons at the time he/she~~ when a person becomes a reporting individual.

d) No ~~official or employee~~ reporting individual shall be allowed to enter or continue his/her duties, nor shall he/she receive compensation from CTA unless he/she has filed a statement of financial interests with the Ethics Committee as required by this Ordinance.

3.2 Content of Statements.

d) The name of any unit of CTA government other than CTA which employed the reporting individual during the preceding calendar year.

f) The name and instrument of ownership in any person conducting business with CTA in which the reporting individual has had any a financial interest during the preceding calendar year. — ~~Ownership interest in publicly held corporations need not be disclosed.~~

k) The Committee shall cause to be distributed to each reporting individual a form to certify that he/she has read and understands this Ordinance. The certification form shall be returned to the Committee within thirty (30) days of distribution.

3.4 Filing of Statements.

a) not later than ~~July 1~~ February 1 of each year, the Secretary of the CTA shall certify to the Ethics Committee a list (current as of the prior ~~June 1~~ January 1) of the names and mailing addresses of the persons described in Section 3.1 who are required to file a statement of financial interests. In preparing this list, the Secretary shall set out the names in alphabetical order and shall file a copy of the list with the Ethics Committee. Not less than thirty (30) days before the due date for filing statements of financial interests, the Secretary shall certify to the Ethics Committee a supplemental list of those persons described in Section 3.1 who have, in the interim, become required to file a statement of financial interests. The supplemental list shall be in the same form and filed in the same manner as the original list certified to the Ethics Committee.

b) No later than ~~August 1~~ March 1 of each year, the Ethics Committee shall in writing notify all persons required to file statements of financial interests under this Section. Notice shall be by personal delivery or mail. The Ethics Committee may affect personal delivery of such notice by delivering the notices to the various department heads of the CTA for distribution to employees. Department heads shall notify the Ethics Committee of those employees who have not been served with such notice by ~~September 1~~ April 1. The Ethics Committee 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 CTA records.

3.5 Failure to File Statement by Deadline.

a) If any person who is required to file a statement of financial interest by ~~October 1~~ May 1 of any year fails to file such statement by May 1, the Ethics Committee shall, by ~~October 15~~ May 15 notify such person by certified mail of his/her failure to file by the specified date. Such person shall file his/her statement on or before ~~October 31~~ May 31. Failure to file by ~~October 31~~ May 31 shall constitute a violation of this ordinance except as provided in subsection ~~(e)~~ b).

~~b) Any person who first becomes subject to the requirement to file a statement of financial interests within 30 days prior to May 1 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 31 without penalty. The appointing or employing authority shall notify the Ethics Committee of the identity of such persons. If such person fails to file such statement by May 31, the Ethics Committee shall within 7 days after May 31, notify such person by certified mail of his/her failure to file by the specified date. Such person shall file his/her statement of financial interests on or before June 15 with the ethics Committee. Failure to file by June 15 shall constitute a violation of this Ordinance, except as provided in subsection (e) herein.~~

~~e) b)~~ Any person who is required to file a statement of financial interests may affect one thirty-day extension of time for filing the statement by filing with the Ethics Committee, not less than 10 days before the date on which the statement is due, a declaration of his/her intention to defer the filing of the statement. Failure to file by that date shall constitute a violation of this Ordinance.

3.7 Annual Certification of Review of Ordinance.

a) Each reporting individual shall annually certify that he/she has read and understands the Code of Ethics. In addition, every person at the time he/she is hired, appointed or promoted to a position qualifying him/her as a reporting individual shall also certify that he/she has read and understands the Code of Ethics.

SECTION 4. That Section 4-Ethics Committee of the Code of Ethics shall be amended as follows: (additions are indicated by underline and deletions are indicated by strike out).

4.7 Powers and Duties.

n) To render written advisory opinions with respect to the provisions of this ordinance based upon a real or hypothetical set of circumstances when requested in writing by an official or employee or by a person who is personally and directly involved. Advisory opinions shall be made available to the public but the identity of the person requesting the opinion and of any person whose conduct is involved in the set of circumstances described in the request for opinion shall be confidential. Advisory opinions may be relied upon by the official or employee seeking the advisory opinion.

o) To prescribe the form of the statement of financial interest.

SECTION 5. That Section 5-Penalties for Violation of the Code of Ethics shall be amended as follows: (additions are indicated by underline and deletions are indicated by strike out).

5.5 Relationship To Other Laws. The procedures and penalties provided in this Ordinance are supplemental and do not limit either the power of CTA Board to discipline its own members or the power of the Chairman of the Board and the Executive Director/President to otherwise discipline employees or take administrative action or to adopt more restrictive rules. Nothing in this Ordinance is intended to repeal or is to be construed as repealing in any way the provisions of any other law or Ordinance.

SECTION 6. That the filing dates set forth herein shall commence with the 1998 calendar year.

SECTION 7. This ordinance shall be full force and effect from and after its passage.

APPROVED:


Chairman

September 10, 1997

PASSED:


Secretary

September 10, 1997