

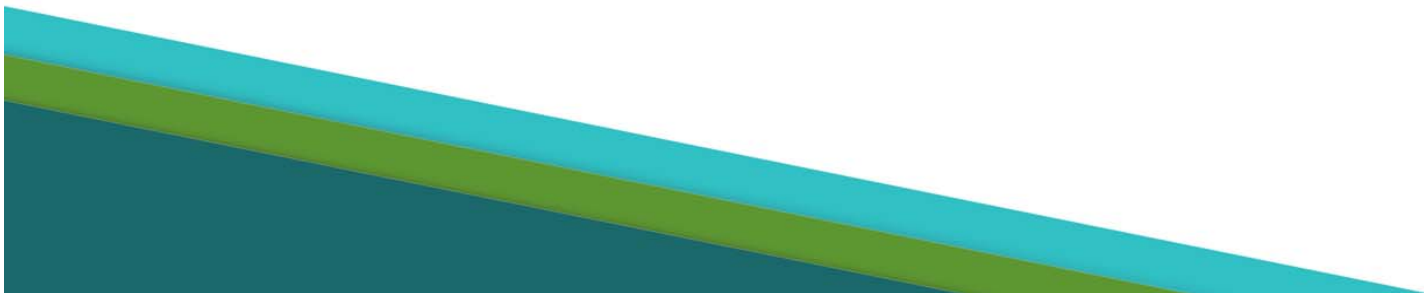
Ethics and Public Integrity

Illinois Association of County Board Members

January 23, 2025

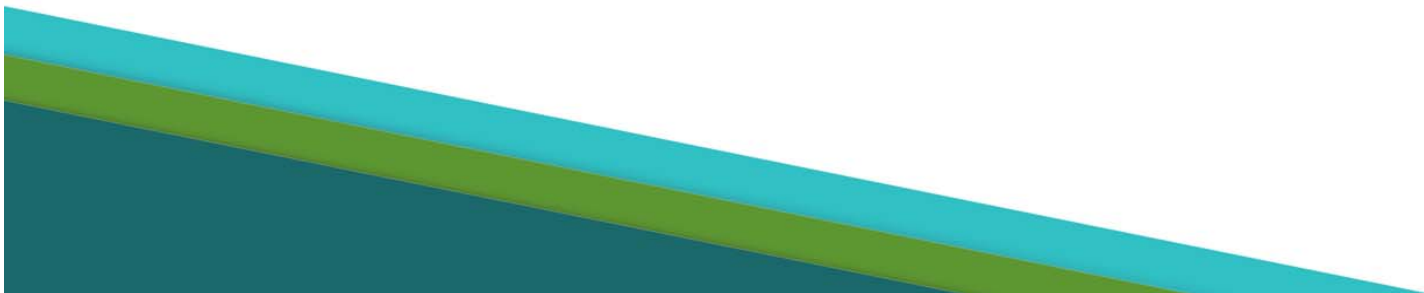
Erin M. Monforti

Ancel Glink, P.C.



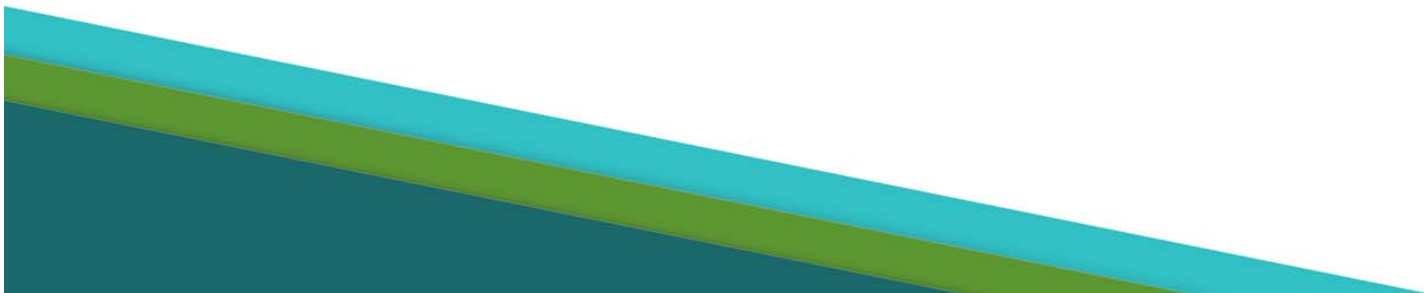
Ethics and Conflicts of Interest

- State Officers and Employee Ethics Act
 - Prohibited Political Activities
 - Gift Ban Act
- Public Officers Prohibited Activities Act
- Prohibited Interests in Contracts
- Illinois Governmental Ethics Act
- Other Issues



State Officials and Employees Ethics Act

- Applicable to counties through [5 ILCS 430/70-5](#), this required every county to adopt an ordinance or resolution
 - Regulating the solicitation and acceptance of gifts
 - Regulating political activities of officers and employees
 - Amended later to also require the adoption of a sexual harassment policy

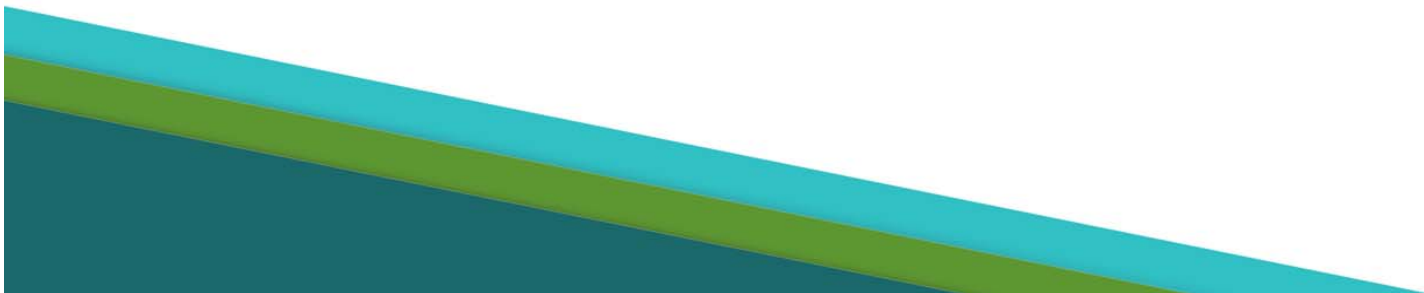


Expanded applicability

State Officials and Employees Ethics Act

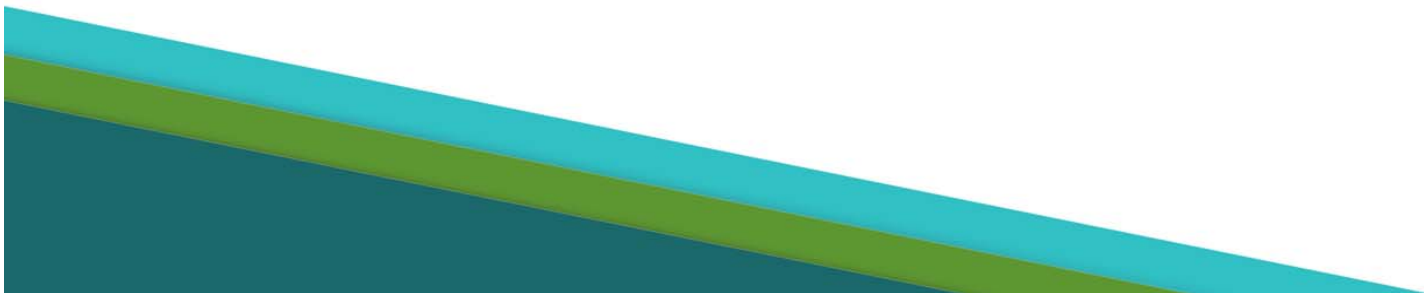
5 ILCS 430/70-20

Sec. 70-20. Members appointed by a county. In addition to any other applicable requirement of law, any member of a governmental entity appointed by the president or chairperson of the county board, or by any member or members of the county board, with or without the advice and consent of the county board, shall abide by the ethics laws applicable to, and the ethics policies of, that county and, if applicable, shall be subject to the jurisdiction of that county's ethics officer or inspector general.



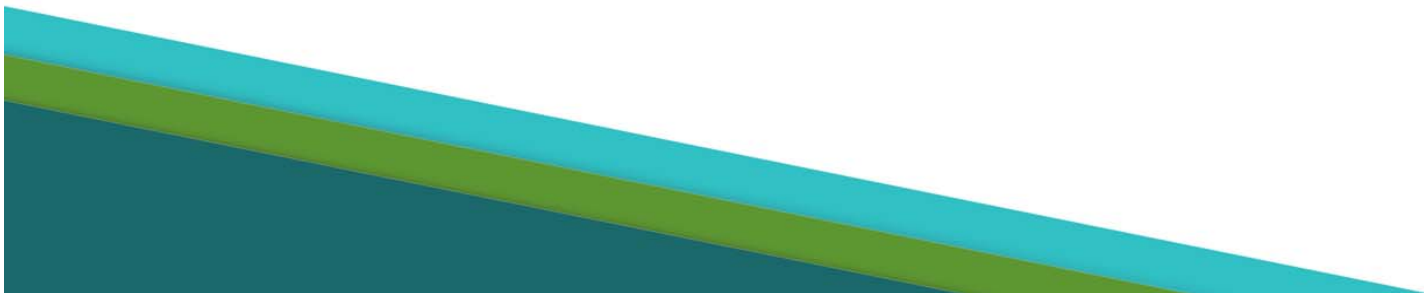
The Gift Ban Act

- What is Banned?
- Who Must Comply?
- What is a “Gift”?
- Who is Restricted?



The Gift Ban Act

- Article 10 of the State Officials and Employees Ethics Act replaces the former Gift Ban Act.
- The gift ban provisions bar the solicitation or acceptance of any gift from a “prohibited source.”



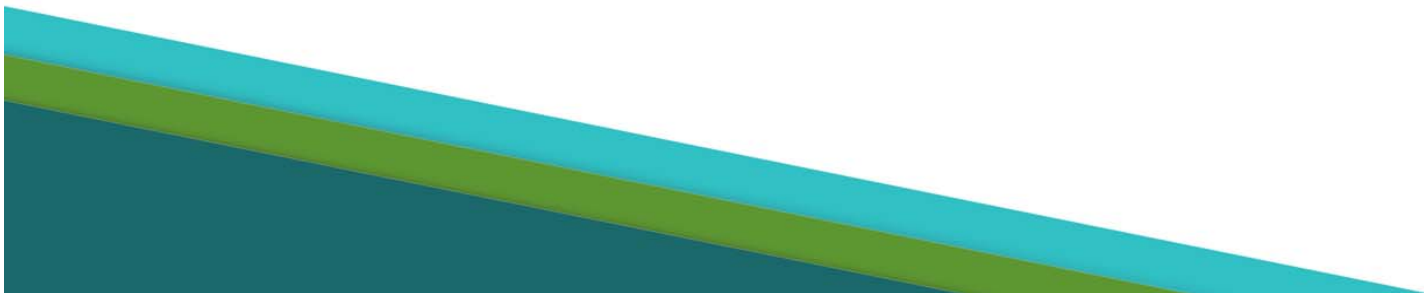
Prohibited sources

Any person or entity who:

- (1) is seeking official action...
- (2) does business or seeks to do business...
- (3) conducts activities regulated by...
- (4) has interests that may be substantially affected by the performance or non-performance of the official duties of the member, officer, or employee;
- (5) is a lobbyist; or
- (6) is an agent of, a spouse of, or an immediate family member who is living with a "prohibited source."

Gift Ban

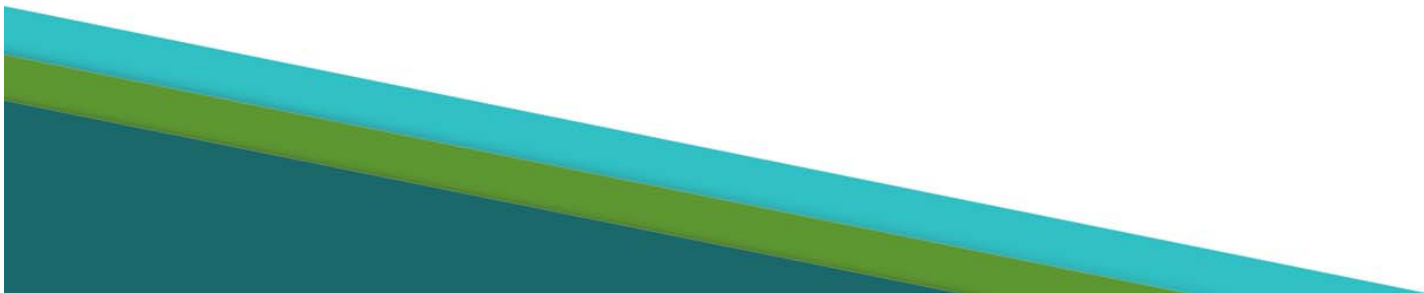
- A “gift” is anything of value
- Applies to elected officials, government employees and their spouses or immediate family members.



What Gifts are Permitted?

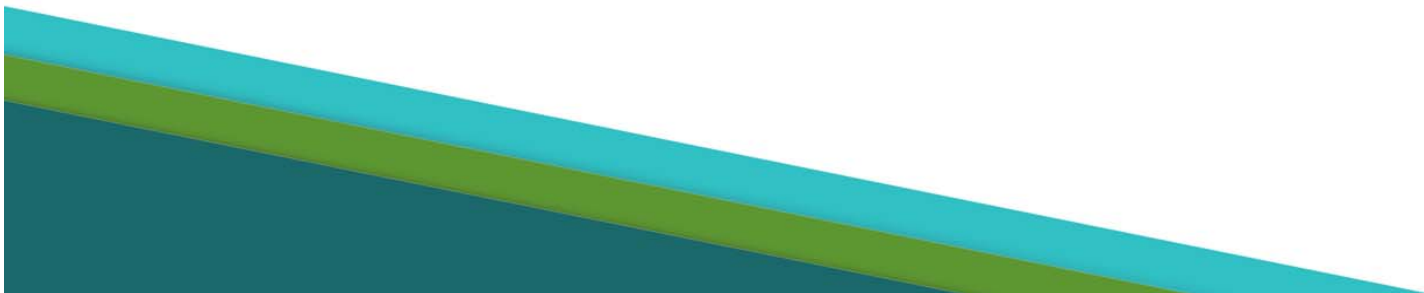
Exceptions to the Ban

- Opportunities, benefits and services to the general public, available on the same conditions as for the general public
- Example: During a parade, a local print shop that does business with the county is giving out coupons to everyone on the route



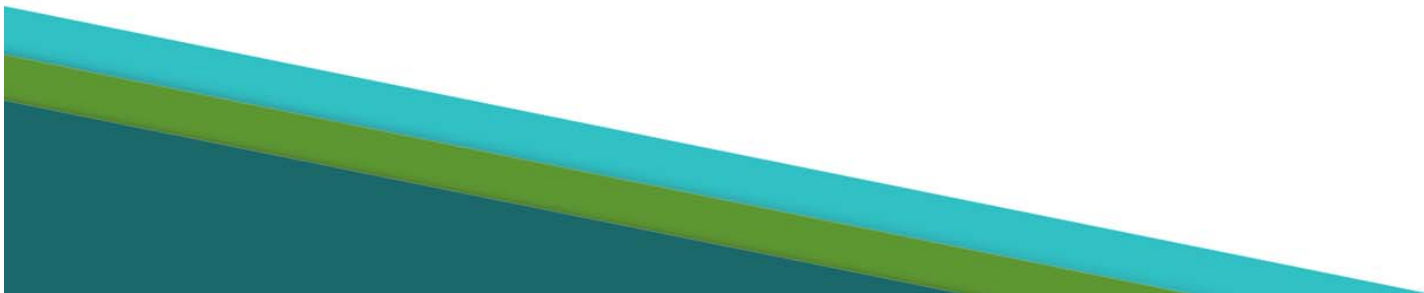
Exceptions

- Anything bought at market value
- Example: The print shop is having a sale on printers. A county board member buys a printer from the print shop.



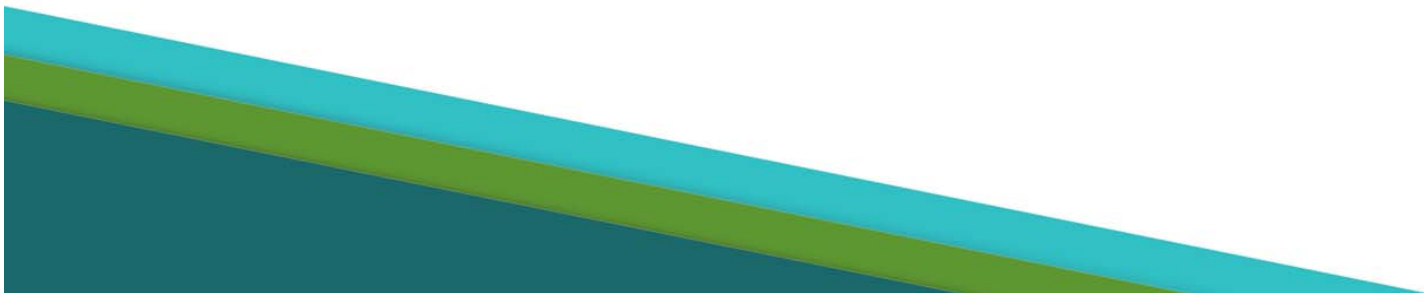
Exceptions

- Political and fundraising contributions
- Example: The owner of the print shop makes a campaign contribution to a county board member, or donates paper to the county



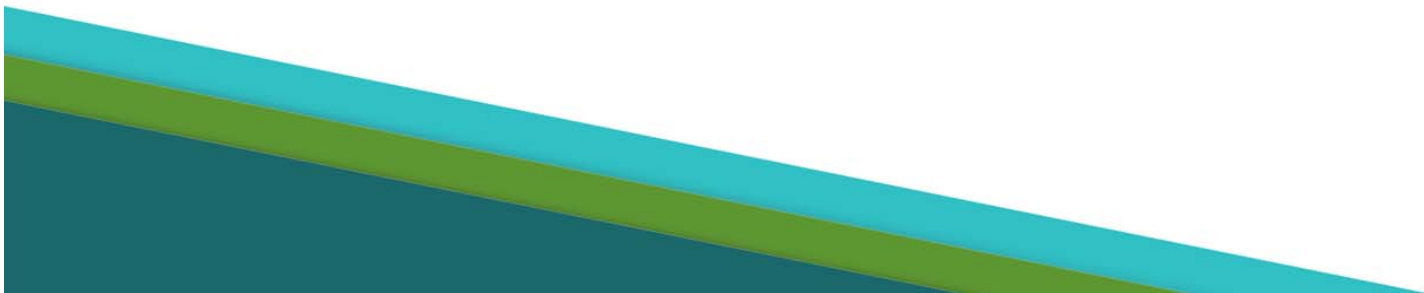
Exceptions

- Educational missions
- Travel expenses for a meeting to discuss county business
- Gifts from relatives
- Bequests, inheritance and other transfers at death
- Interoffice and intraoffice gifts



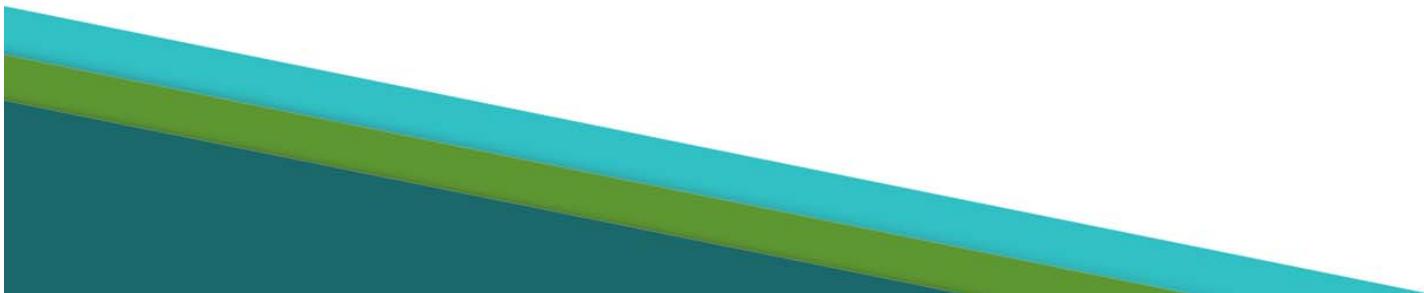
Exceptions

- Gifts provided on the basis of a personal friendship
- Example: A county board member and the county's IT contractor were college roommates. The IT contractor gives the county board member a wedding present.



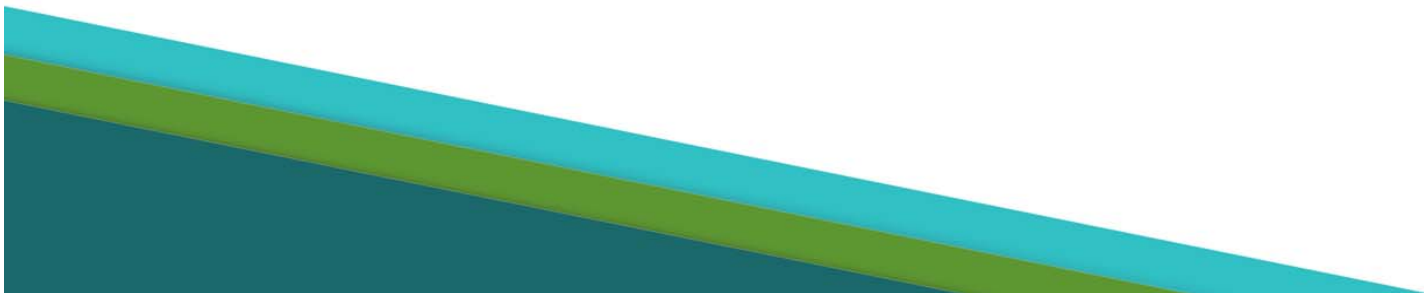
Exceptions

- Food or refreshments
 - Not exceeding \$75 per person on a single calendar day that are:
 - Consumed on the premises
 - Purchased ready to eat and delivered (i.e., catered)



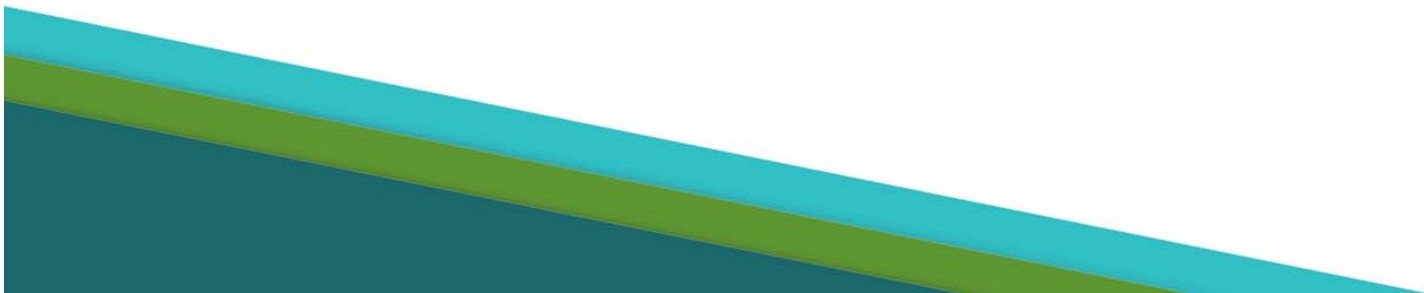
Exceptions

- Items from any one prohibited source during any calendar year having a cumulative total value of less than \$100



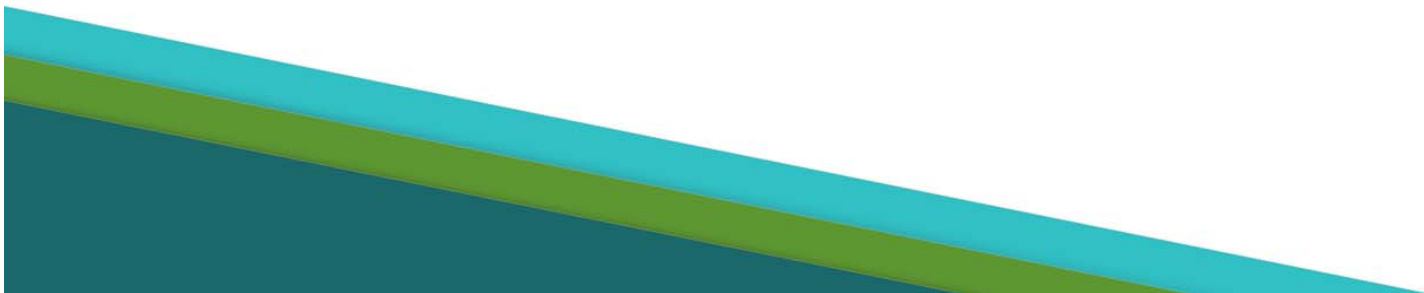
What if someone gives me a gift in excess of the limits?

- An individual may avoid a violation of the Act by returning the prohibited gift to the donor or giving the gift (or its equivalent) to charity.



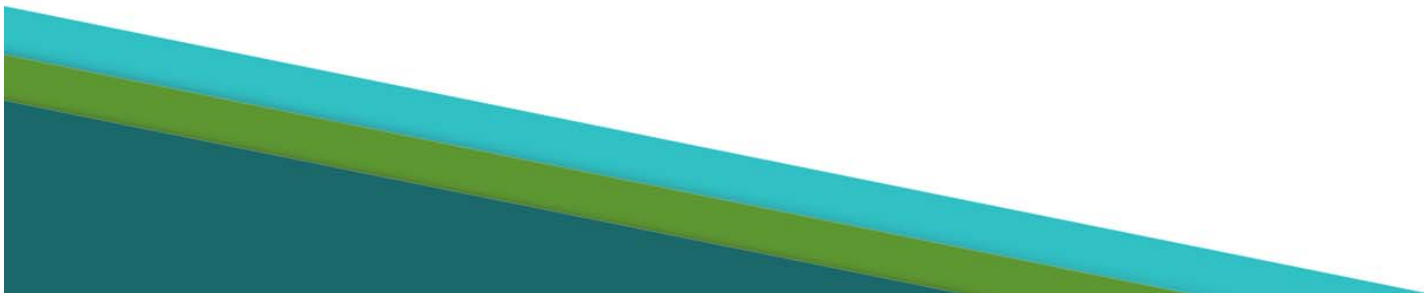
Prohibited Political Activities

- The State Officials and Employees Ethics Act prohibits the use of governmental funds, facilities and employees for political purposes.



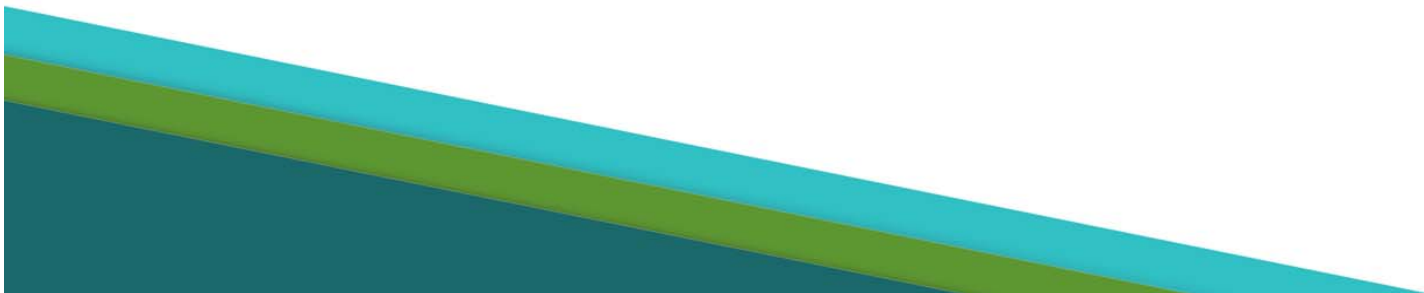
Prohibited Political Activities

- No officer or employee may perform any prohibited political activity during “compensated time.” 5 ILCS 430/5-15.
 - Employees cannot be required to perform political activities as a condition of county employment.
 - Employees can participate in political activities voluntarily while off work.



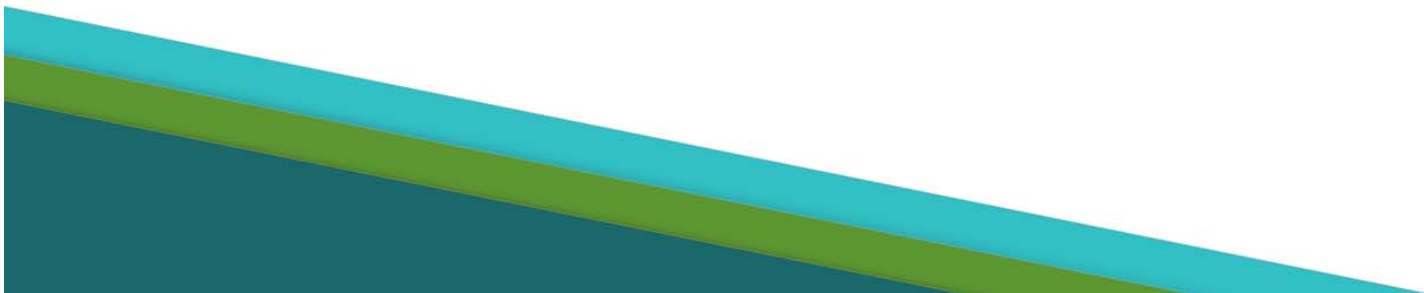
“Compensated Time”

- Does not include vacation, personal or compensatory time off.
- Stickier as applied to public officials.
- Prohibits 15 different things – fundraising, circulating petitions, participating in a recount, etc.



Public Officer Prohibited Activities Act

- 50 ILCS 105/1 – Prohibited dual offices
- 50 ILCS 105/3 – Prohibited interest in contracts

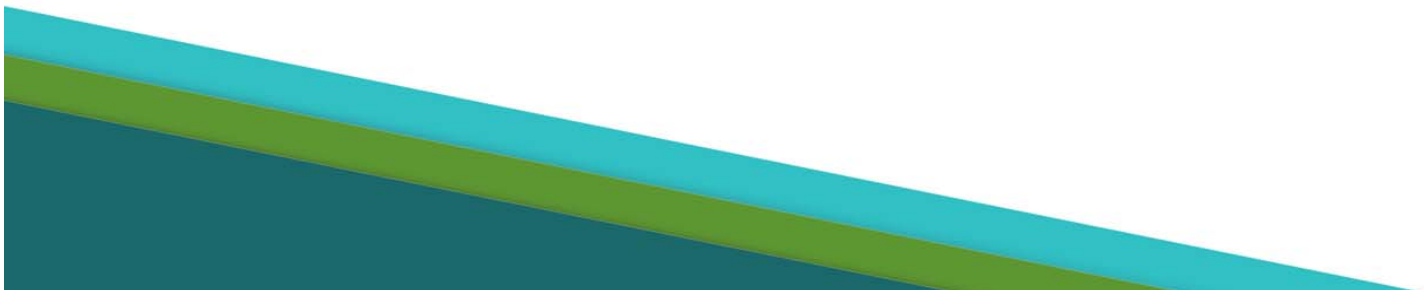


Prohibited dual offices

50 ILCS 105/1

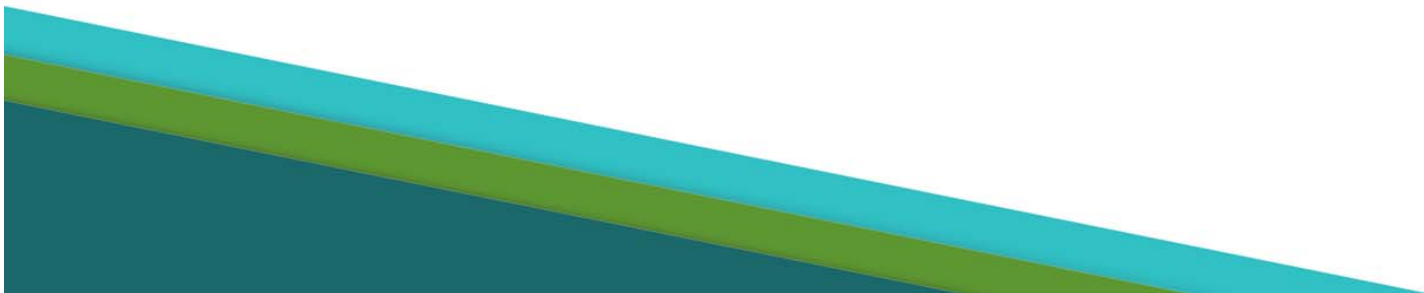
No member of a county board can hold another elected or appointed office other than:

- Chair of county board
 - Member of regional planning commission
 - Alderman/trustee in a town with less than 1,000 inhabitants in a county with less than 50,000 inhabitants
 - Forest Preserve District trustee
 - County Extension Board
 - Emergency Telephone System Board
 - Board of Review
 - Public Administrator or Public Guardian
- *Unless they first resign or unless otherwise permitted by law.*



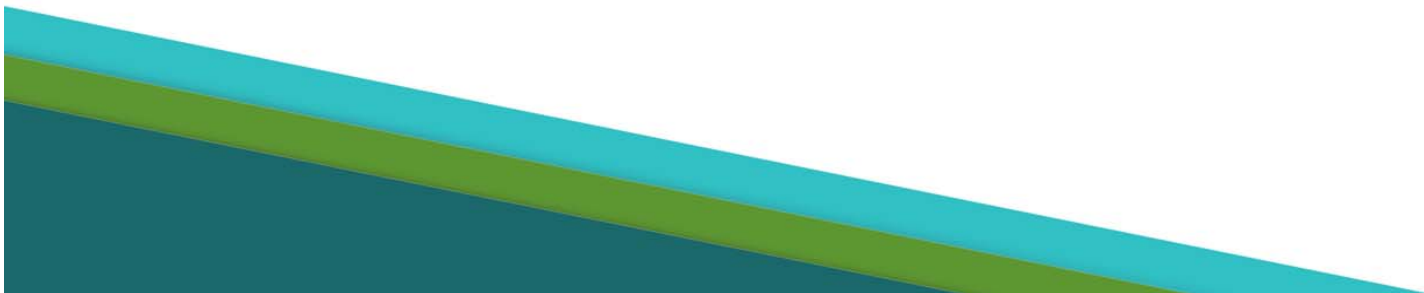
Except...

- This does not prohibit an elected county official from holding elected office in another unit of local government so long as there is no contractual relationship between the county and the other unit of local government.
- Beware of intergovernmental agreements!



Additional exceptions by population

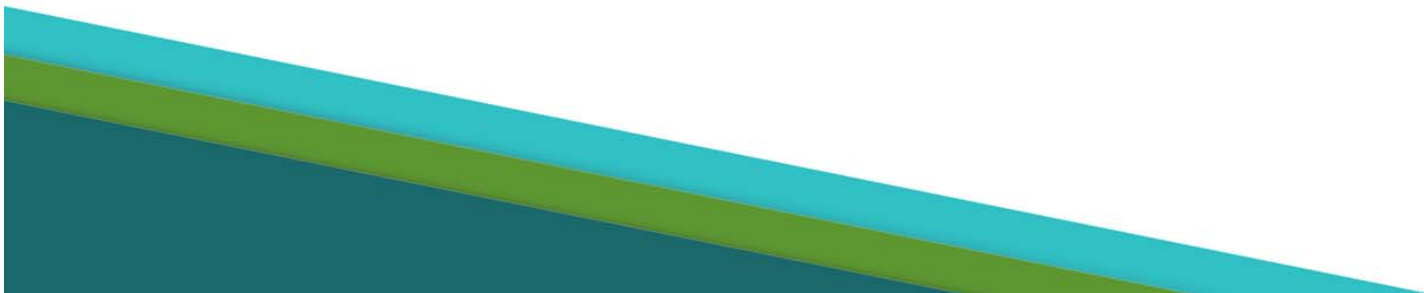
- County board member in county with less than 550,000 inhabitants may serve as township highway commissioner. [50 ILCS 105/1.1](#)
- County board member in county with less than 40,000 inhabitants may also serve as a member of the board of education, regional board of school trustees, board of school directors, board of a community college district, or board of school inspectors. [50 ILCS 105/1.2](#)



Penalty

- Violation is a Class 4 felony and any office held by a convicted person shall be come vacant.

50 ILCS 105/4



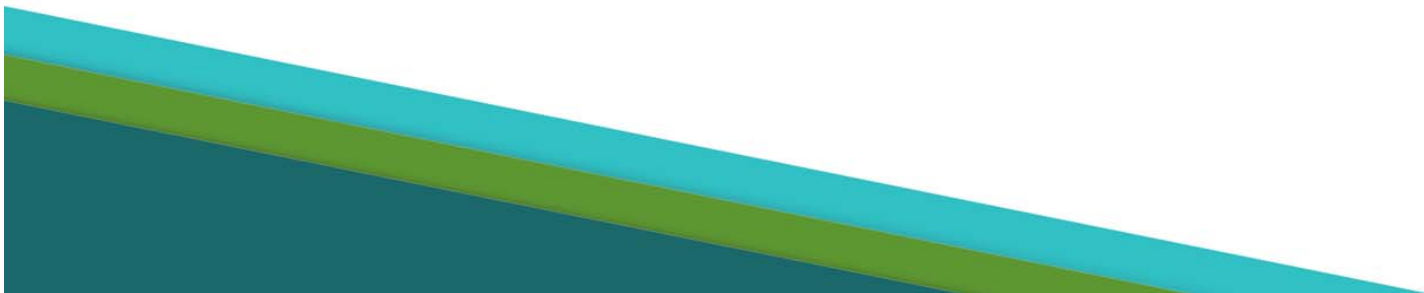
Simultaneous Tenure

Public Officer Simultaneous Tenure Act

50 ILCS 110/1

The following are lawful simultaneous tenure scenarios:

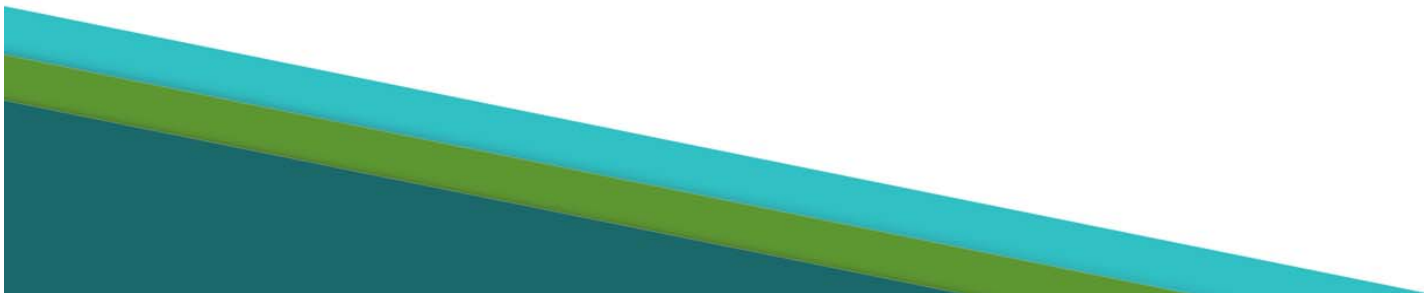
- County board member/township supervisor
- County board member and township trustee in counties with less than 100,000 population
- County board member/township assessor or township clerk, in counties with less than 300,000 population



Prohibited Interest in Contracts

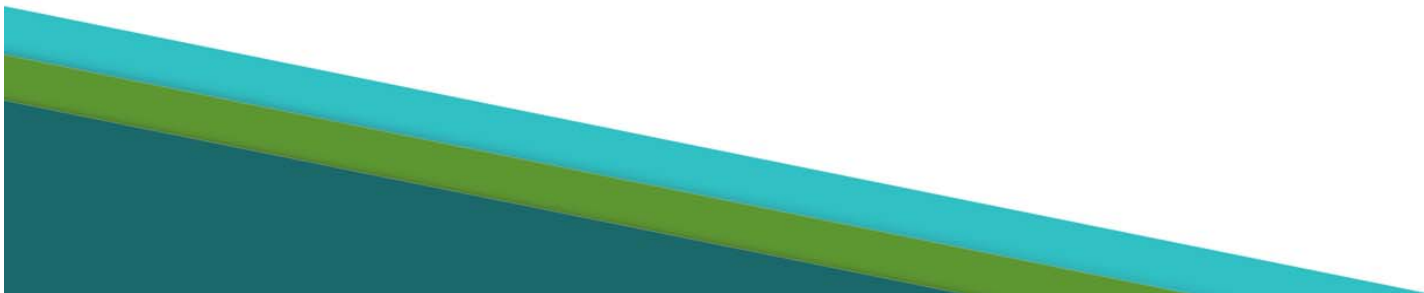
- No elected or appointed official may be directly or indirectly financially interested (in his own name or a name of a corporation) in any contract or work regarding which the officer may be called upon to vote
- May not represent anyone before the board
- May not accept bribes

5 ILCS 105/3



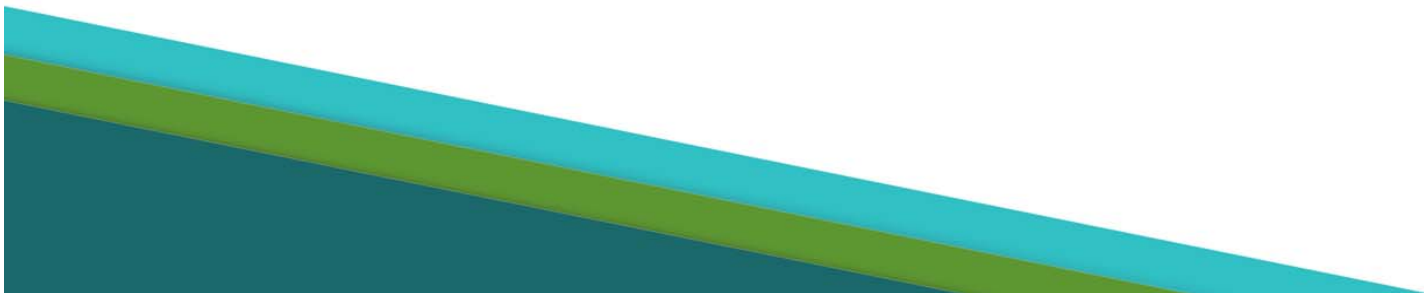
Exceptions when interests in contracts are permitted

- Officer has less than 7½% ownership share in company; and
- Discloses interest; and
- Abstains from voting on the award; and
- Majority approves award; and
- Contract is awarded after a bid (if over \$1,500); and
- The aggregate sum awarded to the company does not exceed \$25,000 per year.



Second Exception

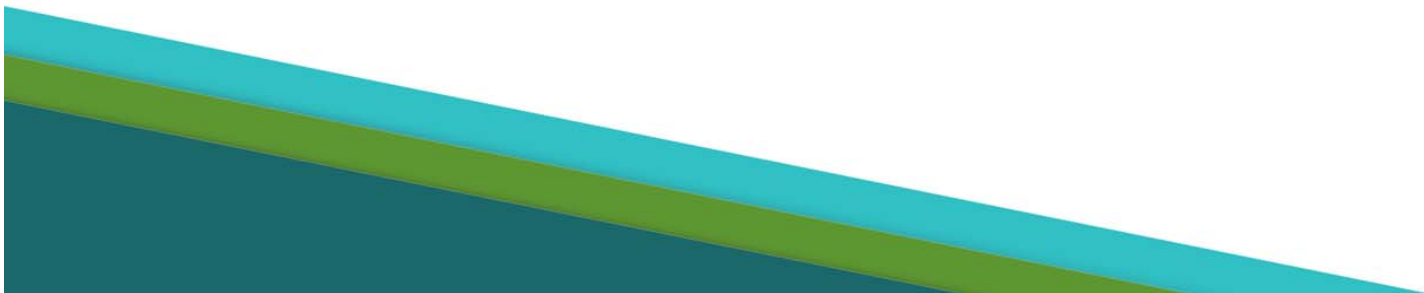
- Or...
- Majority approves with member abstaining; and
- The contract amount does not exceed \$1,000; and
- Discloses interest; and
- The total contract amount does not exceed \$2,000 per year.



Third Exception

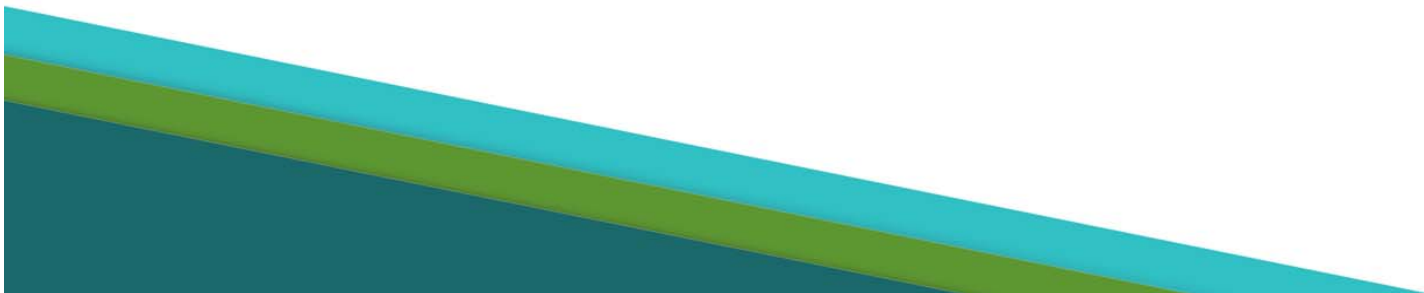
An elected or appointed officer can provide materials, merchandise, property, services or labor, if

- The official has less than a 1% ownership share in company; and
- Discloses interest; and
- Abstains from voting on the award; and
- Majority approves award.



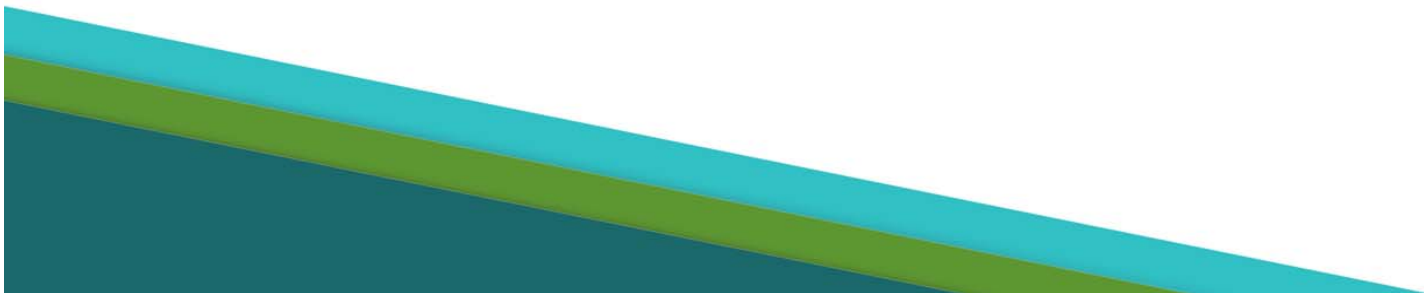
Violations

- Are a Class 4 felony, and would result in the forfeiture of the office.



Official Misconduct

- Criminal Code, **720 ILCS 5/33-3**
 - A public officer or employee commits official misconduct when he/she
 - Intentionally or recklessly fails to perform a mandatory duty
 - Knowingly performs an act in excess of his/her authority
 - Solicits or accepts a fee or reward not authorized by law

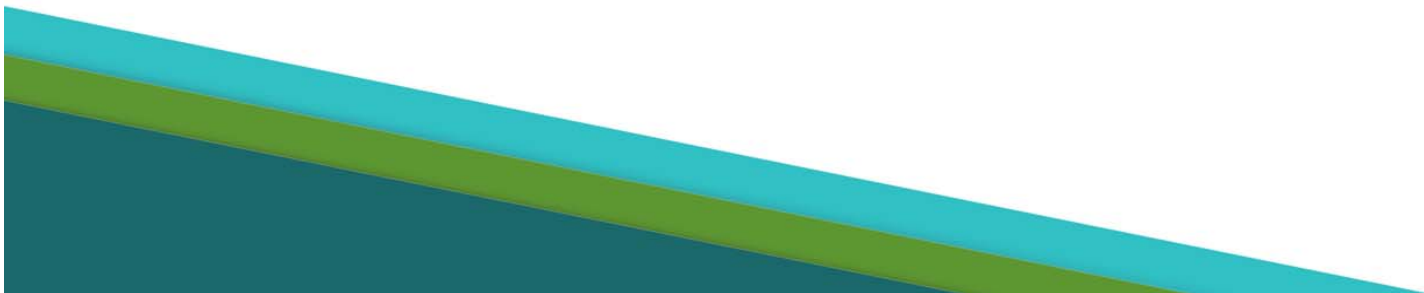


Use of Public Funds

Illinois Constitution:

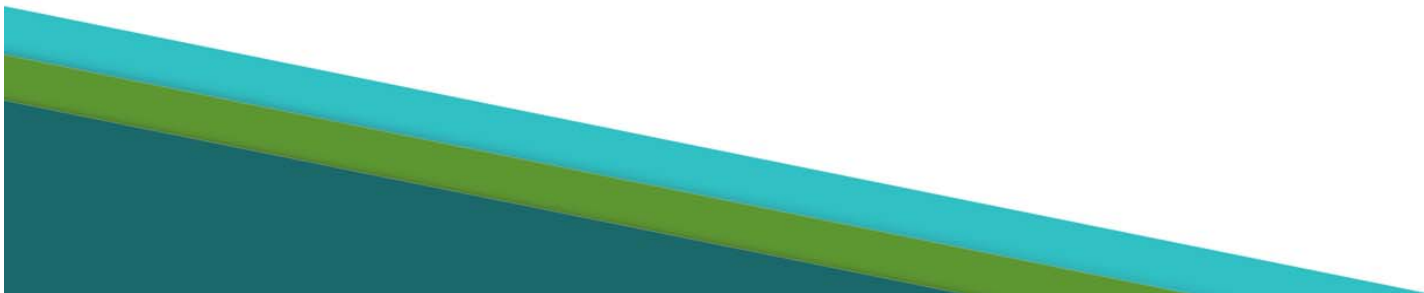
“Public funds, property or credit shall be used only for public purposes.”

Ill. Const. 1970, Art. VIII, Sec. 1.



Counties Code

- There is no express authority in the Code to use tax dollars to pay for:
 - Charitable fundraisers
 - “Grants” to people or organizations
 - Charitable donations
 - Scholarships
 - Gifts
 - Political contributions or donations

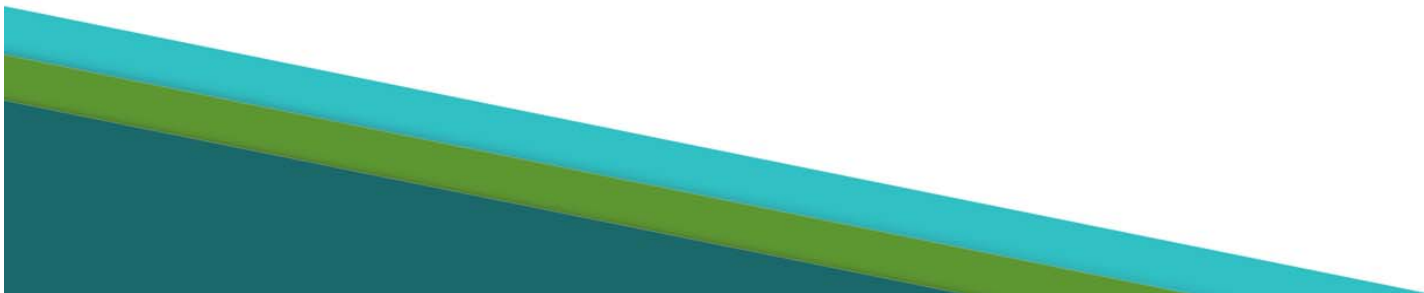


Charities

Raises potential discrimination claims (giving to Boy Scouts and not Girl Scouts, giving to one church and not another)

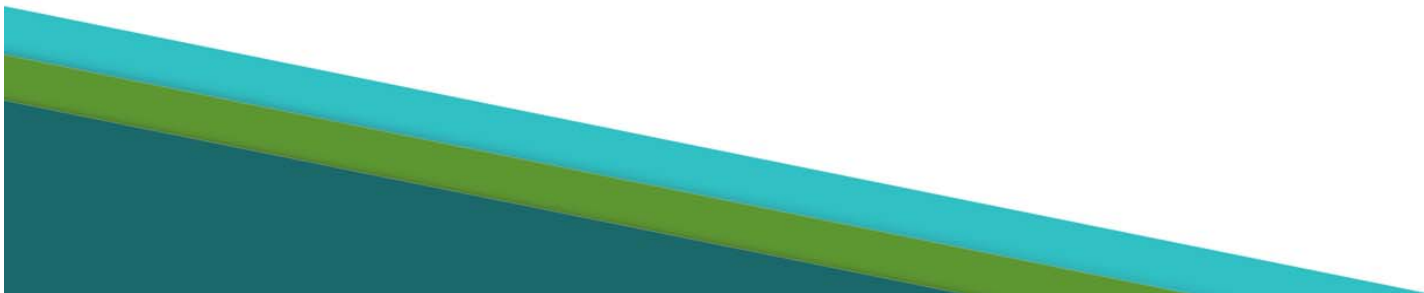
Public endorsement of the mission of a charitable organization, and public may not agree

Puts county in the position of evaluating a charity



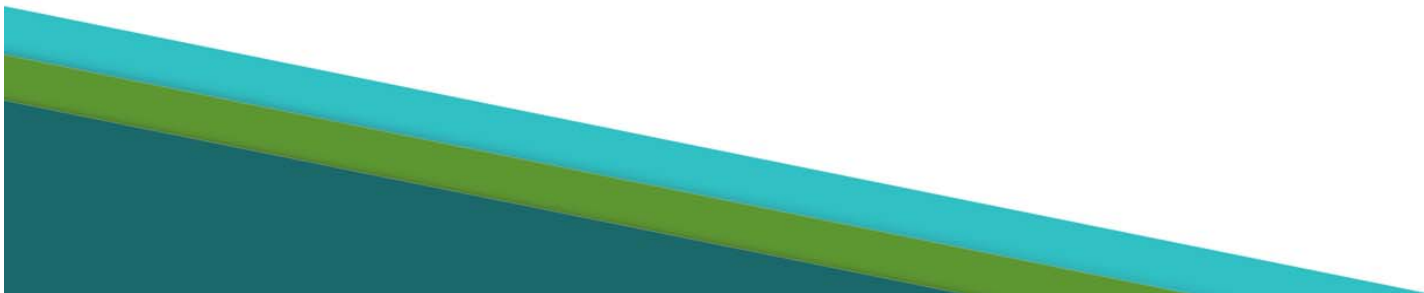
Grants and Funding Requests

- Counties often receive requests for “grants”
- Counties receive funding requests from other local organizations who provide services to county residents
- How can counties legally give tax dollars for public purposes to these groups if there is no express authority?



Illinois Governmental Ethics Act

- Requires filing of statement of economic interests annually by May 1st
- Required of each officer and employee
- Required of each candidate (separately)
- Discloses financial interests

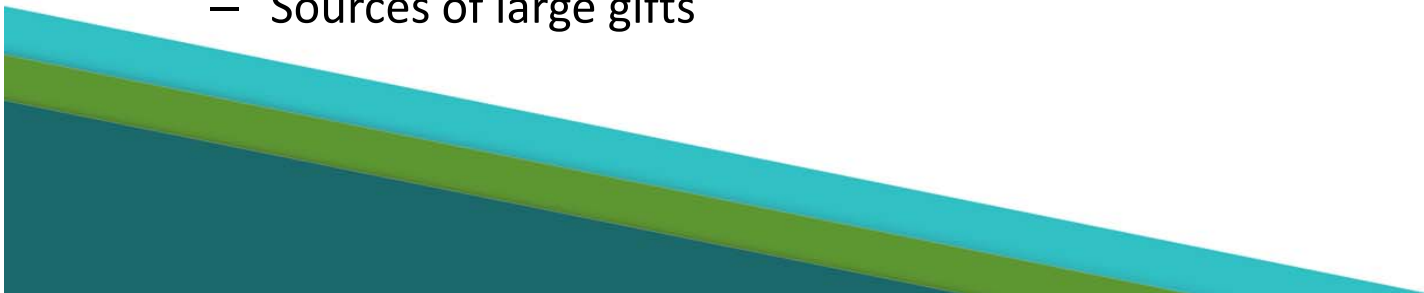


Financial Interests

- Include
 - Assets worth more than \$10,000
 - Sources of income in excess of \$7,500 (except position requiring filing)
 - Debts (except standard debts such as mortgages, student loans, credit cards) exceeding \$10,000
 - “**DEBT**” includes, but is not limited to: personal loans from friends or business associates, business loans made outside the lender's regular course of business, and loans made at below market rates.

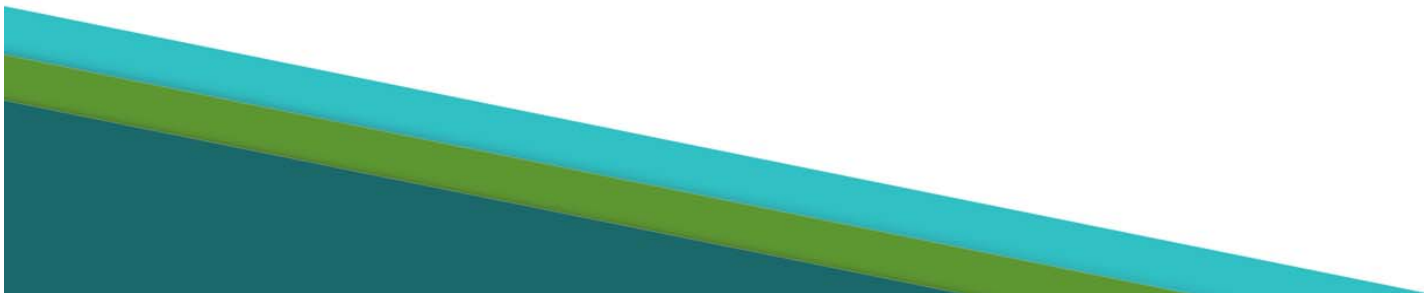
Other Information Required

- Includes
 - Information re: government employment by officer or spouse
 - Information re: lobbyists with economic relationship to officer
 - “**LOBBYIST**” means an individual who is required to be registered to engage in lobbying activities pursuant to the Lobbyist Registration Act.
 - Sources of large gifts



Assets to be Disclosed

- Stocks
- Bonds
- Sector Mutual Funds
- Sector Exchange Traded Funds
- Commodity Futures
- Investment Real Estate
- Beneficial Interests in Trusts
- Business Interests
- Partnership Interests

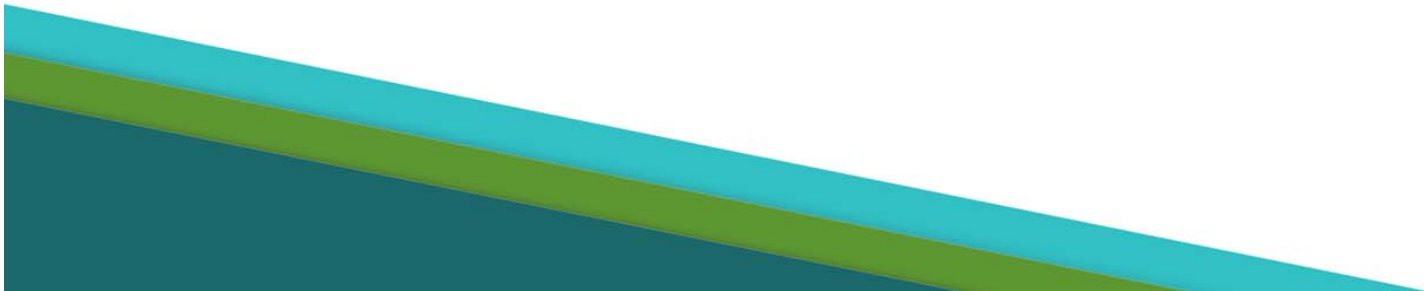


Note

Some information required to be filed on the Statement of Economic Interests relates to family or spousal information:

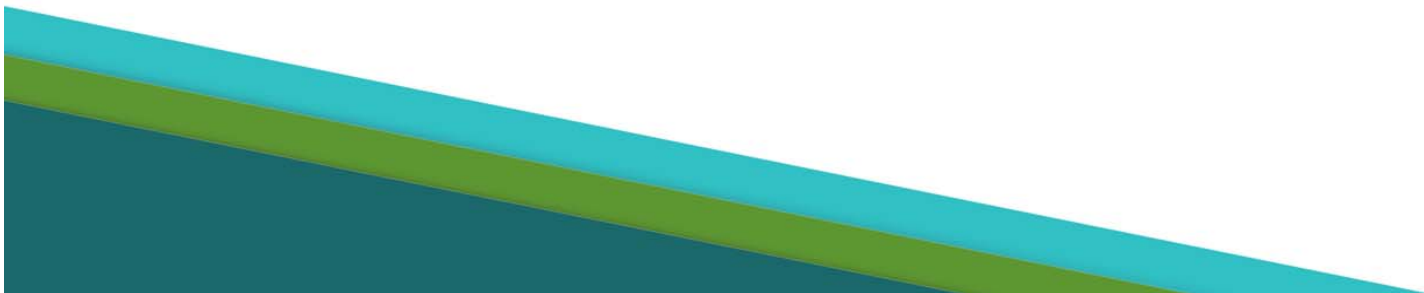
“SPOUSE” means a party to a marriage, a party to a civil union or a registered domestic partner.

“FAMILY” means a filer's spouse, children, step-children, parents, step-parents, siblings, step-siblings, half-siblings, sons-in-law, daughters-in-law, grandparents, and grandchildren, as well as the parents and grandparents of the filer's spouse, and any person living with the filer.



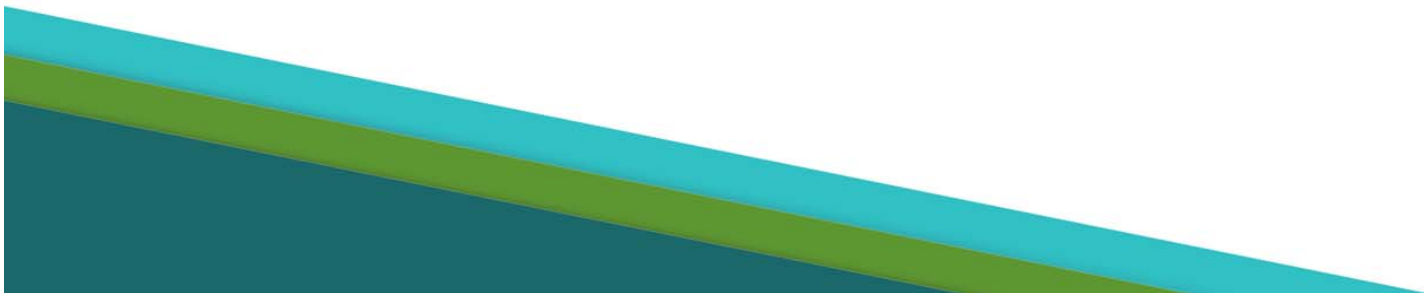
Penalties

- Late fees: \$100 per day
- Attorney General or State's Attorney action
- Forfeiture
- Willful false or incomplete filing
- Exception for lack of notification



Other Things to Consider

- Access to Information/Dissemination of Confidential Information
- Sanctity of Closed Sessions
- Personnel Files



Questions?

Erin M. Monforti

(312) 604-9162

emonforti@ancelglink.com

