

June 28, 2023


AUTHORIZE THE COMMENCEMENT OF THE PUBLIC COMMENT PERIOD FOR CODE OF ETHICS POLICY STARTING JUNE 30, 2023

THE CHIEF EXECUTIVE OFFICER RECOMMENDS:

That the Board authorize the commencement of the Public Comment Period from June 30, 2023 to July 31, 2023 for the Policy described in the disposition table below. Pursuant to Board Rule 2-6(c), the Board must authorize the commencement of the Public Comment Period.


Current Policy Section/ Current Policy Title	New Policy Section/ New Policy Title	Description of Revision/Disposition
503.1 Code of Ethics	N/A	Rescind current and adopt new Sec. 503.1 Current Code of Ethics Policy is from 2011 and does not reflect several state laws. In addition, the former General Counsel recommended that the Code of Ethics be updated in anticipation of changes to the composition of the Board.

Approved as to Legal Form: 

DocuSigned by:

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Ruchi Verma
 General Counsel

Approved:

DocuSigned by:

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Pedro Martinez
 Chief Executive Officer

Policy Summary Form

Policy(ies) Being Amended	Policy Manager(s)
Code of Ethics	Jennifer L. Chan
Link(s) to Current Policy(ies) (if applicable)	Link to Draft(s) of Policy(ies) (Title should include “Rescind and Adopt New”, “Amend”, or “Adopt New” based on what action you are taking)
Code of Ethics	Rescind and Adopt New Code of Ethics

1. Why is this policy being amended on your current timeline? If you are amending multiple policies, please list out the reasons for each one (e.g., state legislation, compliance change, policy was out of date, annual policy review, CEO/CEdO recommendation, etc.)

Current Code of Ethics Policy is from 2011 and does not reflect several state laws. In addition, the former General Counsel recommended that the Code of Ethics be updated in anticipation of changes to the composition of the Board.

2. Please give a high level summary of what policy changes are being made, and why.

Redesign and reorganized Code of Ethics

The Code of Ethics has been organized for readers to understand ethical standards, disclosure requirements, and what specific obligations they have as Board Members; LSC Officials, employees, Board Contractors, and Lobbyists.

Definitions

The definitions have been amended or consolidated to ensure consistency and understanding. These terms have been removed from the definition section: abstain, business relationship, domestic partner, Partners to a Civil Union, recusal, secondary employment. The most notable change is the definition of economic interest which incorporates the definition of a business relationship and includes the interest of a “member of a household” instead of “relative”.

General Provisions

This provides for the role of the Ethics Officer and the rights and responsibilities of Officials, Employees, Board Contractors, and Lobbyists. Board Contractors are now responsible for reporting violations and cooperating with inquiries.

Ethical Standards

This section outlines the general ethical standards for Officials, Employees and Board Contractors to clarify what provisions of the Code of Ethics is applicable to them.

Gifts

Amended gift language to change “mutual understanding” instead of “explicit or implicit mutual understanding” and allow for unacceptable gifts to be donated to charity. New language memorializing the “no gifts” policy Procurement has; providing for the school counselor gift ban; and providing for nominal gifts of appreciation for teachers. Honorarium requirements are clarified. Compliance with the gift ban is provided.

Disclosure Requirements

Disclosure requirements are located in one section in the Code of Ethics. New language has been added to address the need for disclosures of conflicts of interest for candidates and existing Board members, LSC Officials, employees, and Board contractors.

Specific Obligations for the Board

New language proposed to capture the new Board eligibility requirements from 105 ILCS 5/34-4. The Nepotism section has been clarified to reflect Board member’s roles.

Post-Membership and Post-Employment Restrictions

New language to summarize post-membership and post-employment restrictions and to clarify “subject matter of the transaction”

Secondary Employment

Secondary employment is defined in this section along with examples of conflicts with duties and demands of employment. The secondary employment approval list will be featured in the Code of Ethics guidelines which are in the process of being developed.

New Lobbyist Section

Gender Neutral Pronouns

Updated to include gender neutral pronouns

3. Please provide any notable feedback from internal or external stakeholders, and how you addressed it or planned to address it in your policy draft.

The Ethics Office has meet with or received feedback from the following stakeholders: Ethics Officer Steve Berlin, from the City of Chicago; Philip Wagenknecht from the OIG’s Office; Liam Bird, from the Equity Office, Alex Lopez, from FACE; Benjamin Felton, from the Talent Office; Patricia Hernandez from Procurement; Walter Stock, from the Finance Office, Libby Massey, Gabriela Brizuela, Shanell Bowden, Elizabeth Scannell and Ruchi Verma from the Law Department; Adam Lechnir and Gabriela Arismedi from the Board Office, James Malnati from Communications; Kishasha Williams-Ford and William Rice from the Office of Local School Council Relations; Camie Pratt from the Office of Student Protections; Chuck Swirsky and Seth Rau from Intergovernmental Relations; and members of the Ethics Committee not previously listed (Charles Mayfield, William Klee, Brendan Perry, Lauro Roman).

While most of the feedback has been incorporated into the policy draft; two external stakeholders

provided substantial feedback which is provided below.

Amended to include the OIG feedback

- That Board Contractors be included in the responsibilities section as they may need to investigate Board Contractors.
- That the Contract Management Authority include “Doing Business” in addition to “seeking to do Business with the Board”
- That the Gift section be clarified

The Ethics Guidelines will address other OIG requests:

- Secondary employment for school counselors cannot include recruiting secondary school students for colleges or working with CPS students to provide college or career plans

Amended to include City feedback

- That the Gift section be clarified

Under review based on City feedback:

- Lobbyist section
- Whether Nepotism should include a prohibition on Board or employees participating in any CPS regulatory matter that involves a relative
- Whether the ban on Gifts from Board Contractors should be extended to all employees, not merely procurement employees

RESCIND BOARD REPORT 11-0525-PO2 AND ADOPT A NEW CODE OF ETHICS

THE CHIEF EXECUTIVE OFFICER RECOMMENDS:

That the Chicago Board of Education (“Board”) rescind Board Report 11-0525-PO2 Code of Ethics and adopt a new Code of Ethics Policy.

POLICY TEXT:

I. INTRODUCTION

The Board of Education of the City of Chicago is committed to ensuring that Officials, Employees, Board Contractors, and Lobbyists act in the highest ethical manner in order to preserve the public trust of residents and taxpayers. Further, it is essential to set a good example for and act in the best interest of Chicago Public Schools students. In order to meet these imperatives, the following ethical standards have been established.

This Code of Ethics applies to all Officials, Employees, Board Contractors, and Lobbyists based on how these terms are defined below. In addition, candidates to become Officials, Employees, and Board Contractors may be required to disclose potential conflicts of interest.

II. DEFINITIONS

Whenever used in this Code of Ethics:

- A. "Board" means the Board of Education of the City of Chicago and all entities operated by the Board of Education, including all schools, network offices, departments, and other business units.
- B. "Board Contractor" means any Person or Legal Entity (including agents or employees acting within the scope of their employment) Doing Business or seeking to Do Business with the Board whether or not pursuant to a contract.
- C. "Board Member" means a member of the Chicago Board of Education.
- D. "Campaign for Elective Office" means any effort to influence the selection, nomination, election, or appointment of any individual to any federal, state, or local public office, office in a political organization, or the selection, nomination, or election of Presidential or Vice-Presidential electors.

Campaign for Elective Office does not include these activities:

- 1. Relating to the support or opposition of any executive, legislative, or administrative action (as those terms are defined in the Lobbyist Registration Act, 25 ILCS 170/2);
 - 2. Relating to collective bargaining; or
 - 3. Otherwise in furtherance of the Official or Employee's Board duties.
- E. "Candidate for Elective Office" means a Person who has filed nominating papers or petitions for nomination for election to an elected office, or who is otherwise eligible for placement on the ballot in a primary, special, or general election.

- F. "Charter School" means a school authorized pursuant to the Illinois Charter Schools Law, 105 ILCS 5/27A et seq.
- G. "Confidential Information" means any information that is not subject to disclosure under the Freedom of Information Act, 5 ILCS 140 et seq.
- H. "Contract Management Authority" means personal involvement in or direct supervisory responsibility for the formulation or execution of a contract. This includes, without limitation, the preparation of specifications, evaluation of bids or proposals, negotiation of contract terms, and supervision of contract performance.
- I. "Contract School" means "an attendance center managed and operated by a For-Profit or Not-For-Profit private entity retained by the [B]oard to provide instructional and other services to a majority of the pupils enrolled in the attendance center." 105 ILCS 5/34-1.1.
- J. "Corporation" means a legal business structure that establishes the business as a separate entity from the owner(s), members, directors, employees, partners, or joint venturers.
- K. "Do Business," "Doing Business," "Does Business," or "Done Business," means any one or any combination of sales, purchases, leases, or contracts to, from, or with the Board in an amount in excess of \$10,000 in any 12 consecutive months.
- L. "Economic Interest" means an interest, contract, or transaction held by an Official or Employee, their Spouse, or a Member of their Household that is valued or capable of valuation in monetary terms with a current value of more than \$2,500 in any 12 consecutive months.

Economic Interest shall not include:

1. Any interest of the Spouse or Member of the Household, which is related to the Spouse's or Member of the Household's independent occupation, profession, or employment;
2. The authorized compensation paid to an Official or Employee for their office or employment;
3. Any economic benefit provided by the Board equally to all members of the general public;
4. Time or demand deposit in a financial institution;
5. An endowment, insurance policy, or annuity contract purchased from an insurance company;
6. Compensation for property taken for use by the Board pursuant to the eminent domain power;
7. Monetary interests or other rights obtained by Employees through a collective bargaining agreement or state or federal law;
8. Any ownership through purchase at fair market value 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, 15 U.S.C. §78 et al. as amended; or
9. Any ownership through purchase at fair market value or inheritance of the shares of a mutual fund corporation, 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.

- M. "Employee(s)" means any Person working for the Board, regardless of classification and regardless of whether employed on a full-time or part-time basis.
- N. "Fiduciary Duty" means an obligation to act in the best interests of the Board and the public by avoiding conflicts of interest and acting in good faith.
- O. "For-Profit" means establishing, maintaining, or Doing Business for the purpose of making a profit.
- P. "Gift(s)" means anything of value given without payment or other consideration.
- Q. "Legal Entity" means any Corporation, partnership, or organization, whether or not operated For-Profit, and regardless of its form.
- R. "Lobbyist" means any Person who is registered with the Illinois Secretary of State and who communicates with an Official or Employee for the purpose of influencing any Board action.
- S. "Local School Council" means an elected Local School Council, appointed Local School Council, or Board of Governors.
- T. "Member of their Household" means anyone living in the same residence as an Official or Employee, whether or not the individual meets the definition of a Relative.
- U. "Not-For-Profit" means establishing, maintaining, or Doing Business for purposes other than making a profit.
- V. "Official(s)" means Board Members and Local School Council members.
- W. "Person(s)" means any individual.
- X. "Political Activity" or "Political Activities" means any of the following:
 - 1. Preparing for, organizing, or participating in any political meeting, political rally, political demonstration, or other political event.
 - 2. Soliciting contributions, including but not limited to, selling, distributing, or receiving payment for tickets for any political fundraiser, political meeting, or other political event.
 - 3. Purchasing tickets for any political fundraiser, political meeting, or other political event.
 - 4. Planning the solicitation of campaign contributions.
 - 5. Preparing any document or report regarding campaign contributions.
 - 6. Planning, conducting, or participating in a public opinion poll or survey in connection with a Campaign for Elective Office, on behalf of a political organization, or for or against any referendum question.
 - 7. Assisting at the polls on Election Day on behalf of any political organization, Candidate for Elective Office, or for or against any referendum question.

8. Soliciting votes on behalf of a Candidate for Elective Office, political organization, or for or against any referendum question or helping in an effort to get voters to the polls.
 9. Initiating, preparing, circulating, reviewing, or filing any petition on behalf of a Candidate for Elective Office or for or against any referendum question.
 10. Making contributions to any Candidate for Elective Office.
 11. Preparing or reviewing responses to candidate questionnaires in connection with a Campaign for Elective Office or on behalf of a political organization.
 12. Distributing, preparing for distribution, or mailing campaign literature, campaign signs, or other campaign material on behalf of any Candidate for Elective Office or for or against any referendum question.
 13. Campaigning for any Elective Office or for or against any referendum question.
 14. Managing or working on a Campaign for Elective Office or for or against any referendum question.
 15. Serving as a delegate, alternate, or proxy to a political party convention.
- Y. "Relative(s)" means a Person who is a Spouse, fiancée, child, step-child, parent, step-parent, grandparent, grandchild, sibling, step-sibling, half-sibling, parent-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, aunt, great-aunt, uncle, great-uncle, niece, nephew, or first cousin and shall include any similar relationship created by blood, legal adoption, in loco parentis status, marriage, or parenting relationship.
- Z. "Spouse" means a Person who is related to an Official or Employee by either marriage or civil union.
- AA. "Supervisor" means an Employee who has the authority, in the interest of the Board, to hire, transfer, suspend, layoff, recall, promote, discharge, direct, reward, or discipline Employees, to adjust their grievances, or to effectively recommend any of those actions, if the exercise of that authority requires the consistent use of independent judgment. The presence of one of these functions is sufficient to determine that an Employee is a Supervisor.
- BB. "Supervisory Relationship" means any relationship where an Employee exercises the functions of a Supervisor as defined above. The principal and the assistant principal(s) at each school are presumed to have a Supervisory Relationship with all school staff.

III. GENERAL PROVISIONS

- A. Ethics Advisor
1. The Chief Executive Officer, with the advice and consent of the Chicago Board of Education, shall designate an Ethics Advisor for the Board.
 2. The Ethics Advisor shall provide guidance to the Officials, Employees, Board Contractors, and Lobbyists of the Board concerning the interpretation of and compliance with the provisions of this Code of Ethics and State ethics laws. This guidance may include the issuance of written rules, guidelines, or opinions. The Ethics Advisor may create an internal advisory Ethics Committee to review and make recommendations on ethical matters.
- B. Rights and Responsibilities
1. All Officials, Employees, Board Contractors, and Lobbyists are responsible for complying with this Code of Ethics.

2. All Officials, Employees, and Board Contractors have the right and the responsibility to report potential violations of this Code of Ethics to the Ethics Advisor.
3. All Officials, Employees, and Board Contractors are responsible for cooperating with inquiries to determine whether this Code of Ethics has been violated. This cooperation will include supplying witness testimony, documents, and any other requested information. Failure to do so may be considered a violation of this Code of Ethics.
4. All Officials, Employees, and Board Contractors are responsible for cooperating with remediation of violations of this Code of Ethics.

IV. ETHICAL STANDARDS

All Officials, Employees, and Board Contractors must comply with the following ethical standards as outlined in this Section as well as the following rights and responsibilities, disclosure requirements, and the specific obligations that pertain to them.

A. Board Property and Funds

Board property and funds shall be used only for Board purposes and in the manner specified or directed by the Board. No misuse of Board property or funds shall be permitted.

B. Confidential Information

Confidential Information may only be used as allowable by law to perform official duties.

1. Unless required to perform official duties, no one shall use or disclose Confidential Information gained by reason of their position or employment.
2. Nothing in this Section shall limit the rights afforded to "whistleblowers" pursuant to the Illinois Whistleblower Act, 740 ILCS 174 et al. as amended and the Illinois School Code, 105 ILCS 5/34-2.4c.

C. Conflict of Interest

No Official or Employee shall make, participate in making, or in any way attempt to use their position to influence any Board decision or action in which there is a reason to know that the Official or Employee has any Economic Interest or any other interest distinguishable from that of the general public.

D. Contract Management Authority

An Official or Employee who exercises Contract Management Authority shall not exercise that authority where they have an Economic Interest in the underlying transaction, or where they have an employment relationship or other relationship with the Person or entity Doing Business or seeking to Do Business with the Board.

E. Fiduciary Duty

At all times in the performance of their public duties, Officials and Employees of the Board owe a Fiduciary Duty to the Board and to the taxpayers of the City of Chicago and the State of Illinois.

F. Gifts, Loans, and Favors

1. Gift Ban: No Official, Employee, Board Contractor, or Lobbyist shall offer, solicit or accept any Gifts, favors, services, or promises of future employment:
 - a) Based upon any mutual understanding that official actions could be influenced or
 - b) In return for giving advice or assistance on matters related to Board business.

The Official's, Employee's, or Board Contractor's Spouse, or other Member of the Official's, Employee's, or Board Contractor's Household are also subject to this Gift Ban.
2. It shall be presumed that an individual Gift having a value of \$50 or less does not violate the Gift Ban. However, Gifts from any one source shall not exceed a cumulative value of \$100 during any calendar year.
3. Exceptions to the Gift Ban

- a) Gifts from Relatives or co-workers are not prohibited unless the Gifts are provided to influence official action.
 - b) An Official or Employee, their Spouse, or other Member of their Household, is permitted to receive:
 - (1) An award publicly presented in recognition of public service;
 - (2) A commercially reasonable loan made in the ordinary course of the lender's business;
 - (3) A political contribution, provided it is reported as required by law; or
 - (4) Reasonable hosting, including travel and expenses, entertainment, meals, or refreshments furnished in connection with public events, appearances, or ceremonies related to official Board business.
 - c) An Employee may accept a Gift or honoraria for participating in the course of their public employment in speaking engagements, lectures, debates, or organized discussion forums provided the opportunity was not based on any mutual understanding that official actions could be influenced. The Employee shall comply with the disclosure requirements.
4. Compliance with the Gift Ban
- Officials and Employees who receive a Gift over the acceptable limits must respond in one of the following three ways:
- a) Return the Gift to the Gift giver;
 - b) Donate the Gift or an amount equal to its value to an appropriate charity that is exempt from income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986; or
 - c) Turn the Gift over to the Chief Financial Officer who will determine whether to return the Gift to the giver or accept the Gift on behalf of the Board.
5. Accepting Gifts on the Board's Behalf
- Gifts may be accepted on the Board's behalf pursuant to the Board's Acceptance of All Grants, Gifts and Donations Policy.

G. Nepotism

No Official or Employee shall engage in Nepotism in the hiring of personnel or in the selection of contractors and as further specified below.

H. Political Activity

No Official or Employee shall perform any Political Activity while conducting Board business or during Board compensated time or use any Board property or Board resources for any Political Activity.

I. Post-employment and Post-membership restrictions

Former Officials and former Employees shall not use their former positions with the Board to gain an Economic Interest for at least a period of one year or, if they had Contract Management Authority, for the length of that contract.

V. DISCLOSURE REQUIREMENTS

All Officials, Employees, and Board Contractors are required to disclose Conflicts of Interest to the Ethics Advisor and comply with the following disclosure requirements as they pertain to them. Candidates to become Officials, Employees, and Board Contractors may also be required to disclose potential conflicts of interest.

A. Contract Disclosures

Board Contractors with contracts and leases valued at \$25,000 or more must disclose the name and address of:

1. Each attorney who was retained by the Board Contractor in connection with the contract or lease;
2. Each Lobbyist who was retained by the Board Contractor in connection with the contract or lease;
3. Each consultant who was retained by the Board Contractor in connection with the contract or lease; and
4. Any other Person who will be paid any fee for communicating with Officials or Employees when such communications are intended to influence the issuance of the contract or lease.

B. Honorariums

Any Employee who accepts an honorarium shall report the payment to the Ethics Advisor within 10 business days.

C. Filing of Statement of Economic Interests

1. Board Members and designated Employees must file an annual Statement of Economic Interests as required by the Illinois Governmental Ethics Act, 5 ILCS 420 et al.
2. Local School Council members must file a Statement of Economic Interests as required by the Illinois School Code, 105 ILCS 5/34-2.1(q), and rules determined by the Board.
3. The Ethics Advisor may require Officials and designated Employees to file a Statement of Business and Financial Interests disclosure.

D. Membership on a Not-For-Profit Board or Corporation

Board Members and Employees must disclose membership on Not-For-Profit Board or Corporations as outlined in Sections VI and VIII of this Code of Ethics.

E. Monthly Board Disclosures

Board Members shall conduct monthly conflict checks reviewing the Board agenda to determine if they have any prohibited and disqualifying financial interest, any influence over delegated authority, any employment by a Board vendor, and any other economic, financial or other interests requiring recusal and abstention.

F. Secondary Employment

Employees must disclose secondary employment as noted in Section VIII(H) and as outlined in the Ethics Guidelines.

VI. SPECIFIC OBLIGATIONS FOR BOARD MEMBERS

In addition to the provisions outlined in Sections III, IV, and V of this Code of Ethics, all Board Members must comply with these specific obligations.

A. Conflicts of Interest

1. No Board Member may be an Employee of the District.
2. No Board Member shall hold other public office under the Federal, State, or any local government unless specifically allowed under law.
3. Board Members are permitted to serve without compensation on the boards of Not-For-Profit Corporations, provided that Board Members file a statement of their participation on the Not-For-Profit board with the Secretary of the Board. Any Board Member sitting on a board of a Not-For-Profit Corporation shall recuse himself or herself and abstain from any vote or discussion related to the Not-For-Profit Doing Business with the Board, seeking to Do Business with the Board, or donating funds or services to the Board.

4. No Board Member, their Spouse, or other Members of their Household shall sit on a board of a Contract or Charter School.
 5. Representation of Other Persons
 - a) No Board Member may represent or have an Economic Interest in the representation of any Person or entity other than the Board in any formal or informal proceeding or transaction before the Board or any of its committees. Nothing in this Section shall prevent:
 - (1) Any Board Member from appearing without compensation before the Board or any Board committee in the course of their duties as a Board Member; or
 - (2) Any Board Member from representing the interest of their child in a due process or similar proceeding provided that the Board Member complies with any other Board Rules or Policies which are applicable to that proceeding.
 - b) No Board Member 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 Board is a party.
- B. Economic Interest in Contracts and Board Work
1. A Board Member who knows or has reason to know that they have an Economic Interest in the name of any Person or any other Legal Entity with a contract, work, business, or sale authorized by action of the Chicago Board of Education shall:
 - a) Recuse themselves from any discussion of the matter; and
 - b) Abstain from voting on the matter.
 2. Unless sold pursuant to a process of competitive bidding following public notice, no Board Member shall have an Economic Interest in the purchase of any property that belongs to the Board or is sold by the Board through legal process.
- C. Nepotism
1. No Board Member shall do any of the following:
 - a) Vote to hire or appoint their Relative at any Board facility.
 - b) Attempt to influence the hiring or appointment of their Relative at any Board facility.
 - c) Vote to hire or appoint any Person in exchange for, or in consideration of, the hiring or appointment of their Relative by any other Official or Employee.
 - d) Supervise a Relative, with the following exception:
If a Board Member becomes a Relative of another Person over whom they already had supervisory authority, the Supervisory Relationship must be discontinued as soon as possible, but no later than 90 calendar days.
 2. No Board Member shall use or permit the use of their position to assist any Relative in securing employment or contracts with any Legal Entity or person.
- D. Political Activities
1. At no time shall any Board Member intentionally misappropriate the services of any Employee by requiring that any Employee perform any Political Activity as:
 - a) Part of that Employee's duties;
 - b) A condition of employment; or
 - c) During any time off that is compensated by the Board (such as vacation or personal time).
 2. No Board Member shall require any Employee to participate in Political Activity in consideration for that Employee being awarded additional compensation or employee

benefit such as a salary adjustment, bonus, compensatory time off, or continued employment.

3. No Board Member shall award any additional compensation or employee benefit such as a salary adjustment, bonus, compensatory time off, or continued employment, in consideration for the Employee's participation in Political Activity.
4. No Board Member shall use their official Board position to engage in Political Activity or endorse a Candidate for Elective Office.
5. No Board Member is permitted to use Board resources to perform any Political Activity.
6. A Board Member may permit a Candidate for Elected Office to use the Board's school buildings only in accordance with Board Rule 6-25.

E. Post-membership Restrictions

1. If a former Board Member was counsel of record or participated personally and substantially in a judicial or administrative proceeding during their term of office, then the former Board Member shall not assist or represent any Person other than the Board in any related judicial or administrative proceeding.
2. If a former Board Member participated personally and substantially in a subject matter, work, or function during their term of office, then the former Board Member shall not assist or represent any Person in the same subject matter, work, or function involving the Board for a period of one year after the termination of the Board Member's term of office. However, if a former Board Member exercised Contract Management Authority with respect to a contract, this prohibition shall be permanent as to that contract.
3. The Board shall not hire a former Board Member in any capacity for a period of one year after the termination of their membership on the Board. In addition, during that year, the Board shall not enter into any contracts or agreements for goods or services with the former Board Member or with any Corporation, partnership, association, sole proprietorship, or other entity, other than a publicly traded Corporation employing the former Board Member, unless the former Board Member receives less than \$1,500 per year from that entity.
4. Any Board Member appointed by the Mayor of the City of Chicago shall not lobby (as defined in §2-156-010(p) of the Municipal Code of the City of Chicago) the Board for a period of two years after the termination of the Board Member's term of office or employment.

VII. SPECIFIC OBLIGATIONS FOR LOCAL SCHOOL COUNCIL MEMBERS

In addition to the provisions outlined in Sections III, IV, and V of this Code of Ethics, all Local School Council members must comply with these specific obligations.

A. Conflicts of Interest

1. No Local School Council member, their Spouse, or other Members of their Household shall sit on a board of a Contract or Charter School.
2. Representation of Other Persons
 - a) No Local School Council member may represent or have an Economic Interest in the representation of any Person or entity other than the Board in any formal or informal proceeding or transaction before the Board or any of its committees. Nothing in this Section shall prevent:
 - (1) Any Local School Council member from appearing without compensation before the Board or any Board committee in the course of their duties as a Local School Council member; or

(2) Any Local School Council member from representing the interest of their child in a due process or similar proceeding provided that the Local School Council member complies with any other Board Rules or Policies which are applicable to that proceeding.

b) No Local School Council member 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 Board is a party.

B. Economic Interest and Conflicts of Interest

1. No Local School Council member shall have an Economic Interest in any contract, work, or business of the school in which they serve.
2. No Local School Council member shall have an Economic Interest in the sale, purchase, or lease of any article for which the expense, price, or consideration is paid by their Local School Council, or by the school in which they serve.
3. No Local School Council member shall be an employee of a third party that compensates the member to work at the school where they serve on the Local School Council.
4. No Parent or Community Local School Council member shall receive any form of payment or parent stipend from their school, except that the Board may provide reimbursement to Local School Council members for reasonable and necessary expenses (excluding lodging or meal expenses) incurred in the performance of their duties when authorized pursuant to Illinois School Code, 105 ILCS 5/34-2.2(b).
5. A teacher representative on a Local School Council who intends to apply for the principalship of the school in which they serve as a council member shall recuse themselves and abstain from voting on the question of whether the current principal's contract shall be renewed. If a teacher representative on a Local School Council votes on the question of whether or not the present principal's contract shall be renewed, and if the Local School Council votes not to renew the contract of the present principal, the voting teacher representative shall be ineligible to apply for that vacancy.
6. A teacher representative who intends to apply for the principalship of the school in which they serve as a Local School Council member must resign from their Local School Council prior to the start of the selection process for the principalship. Any teacher representative who does not resign from their Local School Council prior to the start of the principal selection process shall be ineligible to apply for the position of principal at that school.
7. Where a Local School Council member or their Spouse, sits on the board of a Not-For-Profit entity that donates funds or services to any school at which the Local School Council member serves, the Local School Council member shall recuse themselves and abstain from any vote or discussion on any proposal from that Not-for-Profit.

C. Nepotism

No Local School Council member shall do any of the following:

1. Hire or appoint their Relative at any Board facility.
2. Attempt to influence the hiring or appointment of their Relative at any Board facility.
3. Attempt to hire or appoint any Person in exchange for, or in consideration of, the hiring or appointment of their Relative by any other Official or Employee.
4. Hire any Person to a position in which that Person would supervise or evaluate a Relative.

5. Transfer any Person to a position in which that Person would supervise or evaluate a Relative.
6. Supervise a Relative, with the following exception:
If an LSC Member becomes a Relative of another Person over whom they already had supervisory authority, the Supervisory Relationship must be discontinued as soon as possible, but no later than the end of the school year.
7. No Local School Council member may recommend or advocate any personnel action involving any of their Relatives employed at the school where they serve. No Local School Council member may recommend or advocate a contract with a Relative or entity employing a Relative. If the Local School Council member has a Relative who is employed at the school, or has a contractual relationship with the school at which the Local School Council member serves, the Local School Council member shall recuse themselves and abstain from any vote or discussion on the entire budget and the entire school improvement plan. Additionally, the Local School Council member must recuse and abstain from voting or discussing any transfer of funds that may affect the Relative.
8. When a Local School Council member exercises Contract Management Authority over a contract with any Legal Entity or individual seeking to Do Business with CPS, they shall not assist their Relative in securing a contract or employment with that entity. No Local School Council member shall use or permit the use of their position to assist any Relative in securing employment or contracts with any Legal Entity over whom the Local School Council member exercises Contract Management Authority. If a Relative of the Local School Council member secures employment, or obtains a contract with the Legal Entity while the Local School Council member exercises Contract Management Authority, it shall be presumed that this Section of the Code of Ethics has been violated, unless proven otherwise.
9. No Local School Council member shall be a Relative of the principal. No Person may accept an appointment as a principal at a school in which a Relative of that Person is employed or is a member of the Local School Council.

D. Political Activity

1. At no time shall any Local School Council member intentionally misappropriate the services of an Employee by requiring that any Employee perform any Political Activity as:
 - a) Part of that Employee's duties;
 - b) A condition of employment; or
 - c) During any time off that is compensated by the Board (such as vacation or personal time).
2. No Local School Council member shall require any Employee to participate in Political Activity in consideration for that Employee being awarded additional compensation or employee benefit such as a salary adjustment, bonus, compensatory time off, or continued employment.
3. No Local School Council member shall award, and no Employee shall accept, any additional compensation or employee benefit such as a salary adjustment, bonus, compensatory time off, or continued employment, in consideration for the Employee's participation in Political Activity.
4. No Local School Council member shall use their official position to engage in Political Activity or endorse a Candidate for Elective Office.
5. No Local School Council member is permitted to use Board resources to perform any Political Activity.

6. Local School Council members may permit a Candidate for Elected Office to use the Board's school buildings only in accordance with Board Rule 6-25.

E. Post-membership Restrictions

1. If a former Local School Council member was counsel of record or participated personally and substantially in a judicial or administrative proceeding during their term of office or employment, then the former Local School Council member shall not assist or represent any Person other than the Board in any related judicial or administrative proceeding.
2. If a former Local School Council member participated personally and substantially in a subject matter, work, or function during their term of office, then the former Local School Council member shall not assist or represent any Person in the same subject matter, work, or function involving the Board for a period of one year after the termination of the Local School Council member's term of office. However, if a former Local School Council member exercised Contract Management Authority with respect to a contract, this prohibition shall be permanent as to that contract.
3. No Local School Council member shall be eligible for any type of employment at the school at which they served as a member of the school's Local School Council, for a period of one year after the termination of their membership on said Local School Council. This provision shall not apply to principal, teacher, or non-teaching staff Local School Council members.
4. No Local School Council member shall have an Economic Interest in a contract involving the school at which they served as a Local School Council member for a period of one year after the termination of their membership on said Local School Council.

VIII. SPECIFIC OBLIGATIONS FOR EMPLOYEES

In addition to the provisions outlined in Sections III, IV, and V of this Code of Ethics, all Employees must comply with these specific obligations.

A. Conflicts of Interest

1. No Employee shall recommend, retain, or hire an Employee, a Board Contractor, or any Person or entity with whom the Employee has any Economic Interest.
2. Employees are permitted to serve with compensation on the boards of directors of corporate entities that are not Doing Business with the Board or seeking to Do Business with the Board. This service will be deemed Secondary Employment.
3. Employees are permitted to serve without compensation on the boards of Not-For-Profit Corporations. If the Employee knows or has reason to know that the Not-For-Profit is Doing Business or seeking to Do Business with the Board, the Employee must seek approval from the Ethics Advisor for their participation on the Not-For-Profit board. Any Employee sitting on the board of a Not-For-Profit Corporation shall recuse themselves and abstain from any vote or discussion related to the Not-For-Profit Doing Business or seeking to Do Business with the Board.
4. Employees and their Spouses, or other Members of their Household, are therefore prohibited from sitting on the governing board of either:
 - a) A Charter School operator that holds a charter issued by the Board; or
 - b) A Contract School operator that holds a Contract School agreement issued by the Board.
5. Representation of Other Persons
 - a) No Employee may represent or have an Economic Interest in the representation of any Person or entity other than the Board in any formal or informal proceeding

or transaction before the Board or any of its committees. Nothing in this Section shall prevent:

- (1) Any Employee from performing the duties of their employment; or
- (2) Any Employee from representing the interest of their child in a due process or similar proceeding provided that the Official or Employee complies with any other Board Rules or Policies which are applicable to that proceeding.

- b) No 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 Board or a Local School Council is a party.

B. Contract Management Authority

An Employee who exercises Contract Management Authority regarding any Board business or transaction shall not exercise such authority in connection with:

1. Board business with a Person or entity in which the Employee has an Economic Interest;
2. Board business with a Person or entity with whom the Employee has an employment relationship; or
3. Board business with a Relative or entity employing a Relative.

C. Economic Interest in Contracts and Board Work

1. No Employee shall have an Economic Interest in any of the following regardless of expense, price, or consideration:
 - a) Contracts with the Board;
 - b) Work or business of the Board; or
 - c) Sale of any article to the Board either paid with funds belonging to or administered by the Board, or authorized by action of the Board.
2. Unless sold pursuant to a process of competitive bidding following public notice, no Employee shall have an Economic Interest in the purchase of any property that belongs to the Board or is sold by the Board through legal process.

D. Gifts, Loans, and Favors

1. Employees of the Department of Procurement cannot accept Gifts from Board Contractors.
2. Unless the state law allows for an exception, a school counselor may not intentionally solicit or accept any Gift from any Person who is employed by an institution of higher education or is an agent or Spouse of an immediate family member living with a Person employed by an institution of higher education.
3. Nominal Gifts under \$50 to teachers as a form of appreciation are acceptable.

E. Nepotism

1. No Employee shall hire or appoint their Relative at any Board facility.
2. No Employee shall attempt to influence the hiring or appointment of their Relative at any Board facility.
3. No Employee shall hire or appoint any Person in exchange for, or in consideration of, the hiring or appointment of their Relative by any other Official or Employee.
4. No Employee may hire any Person to a position in which that Person would supervise or evaluate a Relative.
5. No Employee may transfer any Person to a position in which that Person would supervise or evaluate a Relative.
6. No Employee may supervise a Relative, with the following exception:
If an Employee becomes a Relative of another Person over whom they already had supervisory authority, the Supervisory Relationship must be discontinued as

soon as possible, but no later than 90 calendar days for Central Office and Network Employees or the end of the school year for school-based Employees.

7. When an Employee exercises Contract Management Authority over a contract with any Legal Entity, they shall not assist their Relative in securing a contract or employment with that entity. No Employee shall use or permit the use of their position to assist any Relative in securing employment or contracts with any Legal Entity over whom the Employee exercises Contract Management Authority. If a Relative of the Employee secures employment, or obtains a contract with the Legal Entity while the Employee exercises Contract Management Authority, it shall be presumed that this Section of the Code of Ethics has been violated, unless proven otherwise.

F. Political Activity

1. Employees are permitted to engage in Political Activity on a voluntary basis during non-work hours, vacation, or personal time. Employees are not permitted to engage in Political Activity during any other Board compensated time.
2. At no time shall any Employee intentionally misappropriate the services of any Employee by requiring that any Employee perform any Political Activity as:
 - a) Part of that Employee's duties;
 - b) A condition of employment; or
 - c) During any time off that is compensated by the Board (such as vacation or personal time).
3. No Employee shall require any Employee to participate in Political Activity in consideration for that Employee being awarded additional compensation or employee benefit such as a salary adjustment, bonus, compensatory time off, or continued employment.
4. No Employee shall award, and no Employee shall accept, any additional compensation or employee benefit such as a salary adjustment, bonus, compensatory time off, or continued employment, in consideration for the Employee's participation in Political Activity.
5. No Employee shall use their official Board position to engage in Political Activity or endorse a Candidate for Elective Office.
6. No Employee is permitted to use Board resources to perform any Political Activity.
7. Nothing in this Section prohibits Political Activity that is otherwise appropriate for an Employee to engage in as part of their official employment duties.
8. Employees may permit a Candidate for Elected Office to use the Board's school buildings only in accordance with Board Rule 6-25.

G. Post-employment Restrictions

1. If a former Employee was counsel of record or participated personally and substantially in a judicial or administrative proceeding during their term of office or employment, then the former Employee shall not assist or represent any Person other than the Board in any related judicial or administrative proceeding.
2. If a former Employee participated personally and substantially in a subject matter, work, or function during their term of employment, then the former Employee shall not assist or represent any Person in the same subject matter, work, or function involving the Board for a period of one year after the termination of the Employee's term of employment. However, if a former Employee exercised Contract Management Authority with respect to a contract, this prohibition shall be permanent as to that contract.
3. If a former Employee was counsel of record or participated personally and substantially in a judicial or administrative proceeding during their term of office or employment, then the

former Employee shall not assist or represent any Person other than the Board in any related judicial or administrative proceeding.

H. Secondary Employment

Secondary employment is non-Board work that includes traditional employment, work as an independent contractor, and self-employment arrangements. Service on a board of directors in exchange for monetary compensation is secondary employment. In addition, ownership interest in a small or sole proprietorship, partnership, an LLC, a closely-held corporation or Corporation will be viewed as Secondary Employment.

1. No Employee may engage in any Secondary Employment that is in conflict with the duties or demands of their Board employment. Conflicts include, but are not limited to:
 - a) Using scheduled work hours, sick time, personal or medical leaves.
 - b) Using Board resources such as computers, internet, or school facilities.
 - c) Using Confidential Information.
 - d) Providing outside services to the Board.
 - e) Providing outside services to current or future students.
 - f) Attorneys in the Law Department are expressly prohibited from performing legal work for or undertaking legal representation of any Person or entity other than the Board of Education.
2. Before obtaining or accepting Secondary Employment, the Employee must complete the Board's Secondary Employment Approval Form and obtain written approval in accordance with the Code of Ethics guidelines.
 - a) Written approval will not be granted if the proposed Secondary Employment is in conflict with the duties and demands of Board Employment and the conflict cannot be resolved by the Employee.
 - b) Determinations that Secondary Employment conflicts with Board employment should be made in consultation with the Ethics Advisor.
3. The Ethics Advisor is authorized to reverse any Secondary Employment approvals that do not comply with this Code.

IX. **SPECIFIC OBLIGATIONS FOR BOARD CONTRACTORS**

In addition to the provisions outlined Sections III, IV, and V of this Code of Ethics, all Board Contractors must comply with these specific obligations.

A. Gifts, Loans, and Favors

1. No Board Contractor or subcontractor seeking to secure an award from the Board shall provide a payment, gratuity, or offer of employment to an Official or Employee.
2. No subcontractor or anyone acting on behalf of a subcontractor shall offer payment, gratuity, or employment to a prime contractor or another subcontractor in connection with any Board or Local School Council contract as an inducement for the award of a subcontract or order. This prohibition shall be set forth in every Board contract and solicitation.

B. Political Activity

1. All Board Contractors must disclose political contributions made to Officials as well as candidates for Board and Local School Council membership as noted in the Ethics Guidelines.

X. **SPECIFIC OBLIGATIONS FOR LOBBYISTS**

In addition to the provisions outlined in Sections III, IV, and V of this Code of Ethics, all Lobbyists must comply with these specific obligations.

1. Lobbyists must register with the Illinois Secretary of State before any lobbying services are performed and within two days after being hired or retained.
2. Lobbyists must notify Officials and Employees when they are listed on a Lobbying Expenditure Report with a copy of that notification to the Ethics Advisor.

XI. RESPONSIBILITIES FOR CPS DEPARTMENTS

- A. The Talent Office shall develop guidelines for collecting approvals, denials, and intersession reports of Secondary Employment.
- B. The Chief Procurement Officer will maintain the disclosures that must be submitted to the Board by Persons entering into contracts or leases with the Board.
- C. In order to assist Candidates for Elective Office in monitoring compliance with Chicago's Governmental Ethics Ordinance that sets an upper limit of \$1,500 on campaign contributions by an entity or person that Does Business with the Board or has Done Business with the Board during the past four years, the Chief Procurement Officer shall submit to the City of Chicago a list of all entities that have Done Business with the Board during the past four years. A revised list including this information shall be submitted to the City each month or using another schedule specified by the City.

XII. PENALTIES FOR VIOLATIONS

All Persons covered by this Code of Ethics shall abide by the Code of Ethics and all applicable local, state, and federal laws, regulations, or rules.

- A. Any Employee who violates this Code of Ethics may be subject to discipline, up to and including termination.
- B. Any Official who violates this Code of Ethics may be subject to disqualification or removal from office.
- C. Any Board Contractor who violates this Code of Ethics may be subject to debarment under the Board's Debarment Policy.
- D. Violations of any applicable federal, state, local laws, regulations or rules may be referred to the appropriate prosecutorial authority for further action and violators may be subject to a fine of up to \$5,000.

LEGAL REFERENCES

Securities Exchange Act of 1934, 15 U.S.C. §78 et al.; Freedom of Information Act, 5 ILCS 140 et seq.; Illinois Governmental Ethics Act, 5 ILCS 420/1-101 et seq.; State Officials and Employees Ethics Act, 5 ILCS 430/1-1 et seq.; Lobbyist Registration Act, 25 ILCS 170/2; Public Officer Prohibited Activities Act, 50 ILCS 105/0.01 et seq.; 105 ILCS 5/20-90; 105 ILCS 5/22-5; 105 ILCS 5/28-5; 105 ILCS 5/27A Illinois Charter Schools Law; 105 ILCS 5/34-1.1; 105 ILCS 5/34-2.1(q); 105 ILCS 5/34-2.2(b); 105 ILCS 5/34-2.4c; 105 ILCS 5/34-18(32); 105 ILCS 5/34-21.3