

EXHIBIT 7(i)

Ethics Materials

POLICY STATEMENTS

Code Of Ethics

Conflicts of Interest/Ethics

Employees of Metra, their spouses, their children, their parents, their brothers and sisters, and their children, are prohibited from having, or acquiring any contract or any direct pecuniary interest in any contract, that will be wholly or partially performed by the payment of funds or the transfer of property of Metra. Any firm, partnership, association or corporation, from which any employee of Metra is entitled to receive more than seven and one-half percent (7.5%) of the total distributable income, is prohibited from having or acquiring any contract or direct pecuniary interest in any contract that will be performed in whole or in part by payment of funds or the transfer of property of Metra.

Any firm, partnership, association or corporation, from which employees of Metra, their spouses, their children, their parents, their brothers and sisters, and their children, are entitled to receive in the aggregate more than fifteen percent (15%) of the total distributable income, is prohibited from having or acquiring any contract that will be performed in whole or in part by the payment of funds or the transfer of property of Metra.



Employees are prohibited from participating in the selection, award, or administration of a contract supported by Metra funds, federal funds, or any other grant funds if a real conflict of interest or, to his or her knowledge, an apparent conflict of interest, would be involved. A real or apparent conflict of interest would arise when any of the following has an interest in the entity selected for award:

- an employee, officer, board member, or agent;
- any member of his or her immediate family (as listed above in the first paragraph);
- his or her business partner; or
- an organization that employs, or intends to employ, any of the above.

In the term “apparent conflict of interest, “apparent” is defined under this paragraph as being one in which a person is an officer or director of an entity, or has an interest in the ownership of profits of an entity, and such interest appears substantial to a reasonable person. “Interest” is defined under this paragraph as a direct or indirect entitlement to receive any of the entity’s profits.

Once it has been determined that an employee has a conflict of interest, the employee’s department must contact the Department Head, Human Resources and the Department Head, Materials Management.

Guidance On The Conflict Of Interest Policy:

The following principles will apply, but are not exhaustive, when determining whether a conflict of interest exists:

POLICY STATEMENTS

- If an employee were an officer or director of another entity, such as a business or not-for-profit organization that has a contract with Metra, that person would have an apparent conflict.
- If an employee has an interest in the ownership or profits of such an entity and the interest appears substantial to a reasonable person, that person would have an apparent conflict.
- Generally, owning mutual funds that hold shares of stock in a company doing business with Metra would not be a substantial conflict of interest. Employees should avoid owning shares of stock in a company that they are either evaluating for award or whose contract they are administering if such ownership would appear substantial to a reasonable person.
- Because of grant restrictions, employees should generally not administer, evaluate, or award a contract when a spouse or immediate family member would be working on that particular contract. To avoid the conflict, it would generally be best that the spouse or immediate family member not work on Metra projects.



Gratuities–

No employee, officer, agent, or Board member may solicit or accept any gifts, gratuities, favors, or anything totaling more than \$100.00 in the aggregate over a one-year calendar period from any contractor, potential contractor, or party to any sub-agreement, except where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value.

Statement of Economic Interest–

All employees of Metra whose positions meet the criteria for filing established by the Illinois Governmental Ethics Act are required to file a Statement of Economic Interest each year on or before May 1st with the Clerk of Cook County, Illinois, regardless of where they reside. Employees will be notified by the Human Resources Department if their jobs require them to file a Statement of Economic Interest form.

Revised 8/2003

POLICY STATEMENTS

Revolving Door Prohibition

This policy prohibits certain former employees from being involved in Metra's solicitation process for one year after leaving Metra's employ.

- A "specified position" is one that is non-contract, is held for a period of six (6) months preceding such termination, is at a Grade P12 or above (including all M Grades), and is not merely clerical or ministerial in nature.
- All non-contract personnel in specified positions of Metra are expressly prohibited, for a period of one (1) year after terminating employment with Metra, from engaging in any procurement activity with Metra.
- The prohibition includes, but is not limited to, lobbying the procurement process; specifying; bidding; or proposing bid, proposal, or contract documents on the part of the former employee, or in association with the former employee by or on behalf of any firm, partnership, association, or corporation affiliated with the former employee.
- These restrictions shall not apply to acts done by persons carrying out official duties on behalf of the United States of America, an agency or instrumentality of the State of Illinois, any other governmental entity, or as an elected or appointed official of any of the above.
- The Executive Director may waive these restrictions if it is determined that such a waiver would be in the best interests of Metra.



Guidance on the Revolving Door Policy

A non-contract employee who is thinking about working for an entity doing business with Metra and who is at the M Grade or P12 Grade or above should review this policy with his or her prospective employer. This restriction also applies if the employee solicits business from Metra as an independent consultant. Violation of this policy would void contracts with contractors doing business with Metra.

The restriction is only for one year from the employee's termination date and does not apply to the following: the administration of a Metra contract; if the former employee works for another government entity; or the Executive Director waives the restriction. Thus, while a former employee cannot participate in the solicitation process, he or she can work on a contract.

Please direct any questions regarding this policy to the Department Head, Human Resources.

Revised 8/2003

**COMMUTER RAIL BOARD
ORDINANCE NO: MET 04-05**

**ETHICS ORDINANCE
PREAMBLE**

WHEREAS, the Illinois General Assembly has enacted the State Officials and Employees Ethics Act, 5 ILCS 430/1-1 et seq., ("Act") which is a comprehensive revision of the State statutes regulating ethical conduct, political activities and the solicitation and acceptance of gifts by State officials and employees; and

WHEREAS, pursuant to Section 70-5 of the Act (5 ILCS 430/70-5), all units of local government and school districts are required to adopt an ordinance or resolution regulating the political activities of, and the solicitation and acceptance of gifts by, their respective officers and employees, "in a manner no less restrictive" than the provisions of the Act.

WHEREAS, the Division desires to come into compliance with the provisions of the Act;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMUTER RAIL BOARD OF THE COMMUTER RAIL DIVISION OF THE REGIONAL TRANSPORTATION AUTHORITY ("BOARD"), AS FOLLOWS:

SECTION A: The Gift Ban Act Policy enacted by Met 99-09 is hereby revoked and the following Articles 1 through 6 are enacted:

**ARTICLE 1
DEFINITIONS**

Section 1-1. For purposes of this ordinance, the following terms shall be given these definitions whether or not capitalized:

"Campaign for elective office" means any activity in furtherance of an effort to influence the selection, nomination, election, or appointment of any individual to any federal, State, or local public office or office in a political organization, or the selection, nomination, or election of Presidential or Vice-Presidential electors, but does not include activities (i) relating to the support or opposition of any executive, legislative, or administrative action, (ii) relating to collective bargaining, or (iii) that are otherwise in furtherance of the person's official duties.

"Candidate" means a person who has filed nominating papers or petitions for nomination or election to an elected office, or who has been appointed to fill a vacancy in

nomination, and who remains eligible for placement on the ballot at a regular election, as defined in section 1-3 of the Election Code (10 ILCS 5/1-3).

"Collective bargaining" has the same meaning as that term is defined in Section 3 of the Illinois Public Labor Relations Act (5 ILCS 315/3).

"Compensated time" means, with respect to an employee, any time worked by or credited to the employee that counts toward any minimum work time requirement imposed as a condition of his or her employment, but for purposes of this Ordinance, does not include any designated holidays, vacation periods, personal time, compensatory time off or any period when the employee is on a leave of absence. With respect to officers or employees whose hours are not fixed, "compensated time" includes any period of time when the officer is on premises under the control of the employer and any other time when the officer or employee is executing his or her official duties, regardless of location.

"Compensatory time off" means authorized time off earned by or awarded to an employee to compensate in whole or in part for time worked in excess of the minimum work time required of that employee as a condition of his or her employment.

"Contribution" has the same meaning as that term is defined in section 9-1.4 of the Election Code (10 ILCS 5/9-1.4).

"Employee" means a person employed by Metra, whether on a full-time or part-time basis or pursuant to a contract, whose duties are subject to the direction and control of an employer with regard to the material details of how the work is to be performed, but does not include an independent contractor.

"Employer" means the *Commuter Rail Division of the Regional Transportation Authority ("Metra")*.

"Gift" means any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to government employment or the official position of an officer or employee.

"Leave of absence" means any period during which an employee does not receive (i) compensation for employment, (ii) service credit towards pension benefits, and (iii) health insurance benefits paid for by the employer.

"Officer" means a person who holds, by election or appointment, an office created by statute or ordinance, regardless of whether the officer is compensated for service in his or her official capacity.

"Political activity" means any activity in support of or in connection with any campaign for elective office or any political organization, but does not include activities (i) relating to the support or opposition of any executive, legislative, or administrative action, (ii) relating to collective bargaining, or (iii) that are otherwise in furtherance of the person's official duties.

"Political organization" means a party, committee, association, fund, or other organization (whether or not incorporated) that is required to file a statement of organization with the State Board of Elections or a county clerk under Section 9-3 of the Election Code (10 ILCS 5/9-3), but only with regard to those activities that require filing with the State Board of Elections or a county clerk.

"Prohibited political activity" means:

- (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 the purchase of, selling, distributing, or receiving payment for tickets for any political fundraiser, political meeting, or other political event.
- (3) Soliciting, planning the solicitation of, or preparing any document or report regarding anything of value intended as a campaign contribution.
- (4) Planning, conducting, or participating in a public opinion poll in connection with a campaign for elective office or on behalf of a political organization for political purposes or for or against any referendum question.
- (5) Surveying or gathering information from potential or actual voters in an election to determine probable vote outcome in connection with a campaign for elective office or on behalf of a political organization for political purposes or for or against any referendum question.
- (6) Assisting at the polls on election day on behalf of any political organization or candidate for elective office or for or against any referendum question.
- (7) Soliciting votes on behalf of a candidate for elective office or a political organization or for or against any referendum question or helping in an effort to get voters to the polls.
- (8) Initiating for circulation, preparing, circulating, reviewing, or filing any petition on behalf of a candidate for elective office or for or against any referendum question.

- (9) Making contributions on behalf of any candidate for elective office in that capacity or in connection with a campaign for elective office.
- (10) Preparing or reviewing responses to candidate questionnaires.
- (11) 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.
- (12) Campaigning for any elective office or for or against any referendum question.
- (13) Managing or working on a campaign for elective office or for or against any referendum question.
- (14) Serving as a delegate, alternate, or proxy to a political party convention.
- (15) Participating in any recount or challenge to the outcome of any election.

"Prohibited source" means any person or entity who:

- (1) is seeking official action (i) by an officer or (ii) by an employee, or by the officer or another employee directing that employee;
- (2) does business or seeks to do business (i) with the officer or (ii) with an employee, or with the officer or another employee directing that employee;
- (3) conducts activities regulated (i) by the officer or (ii) by an employee, or by the officer or another employee directing that employee; or
- (4) has interests that may be substantially affected by the performance or non-performance of the official duties of the officer or employee.

ARTICLE 2 PROHIBITED POLITICAL ACTIVITIES

Section 2-1. Prohibited political activities. (a) No officer or employee shall intentionally perform any prohibited political activity during any compensated time, as defined herein. No officer or employee shall intentionally use any property or resources of Metra in connection with any prohibited political activity.

(b) At no time shall any officer or employee intentionally require any other officer or employee to perform any prohibited political activity (i) as part of that officer or

employee's duties, (ii) as a condition of employment, or (iii) during any compensated time off (such as holidays, vacation or personal time off).

(c) No officer or employee shall be required at any time to participate in any prohibited political activity in consideration for that officer or employee being awarded additional compensation or any benefit, whether in the form of a salary adjustment, bonus, compensatory time off, continued employment or otherwise, nor shall any officer or employee be awarded additional compensation or any benefit in consideration for his or her participation in any prohibited political activity.

(d) Nothing in this Section prohibits activities that are permissible for an officer or employee to engage in as part of his or her official duties, or activities that are undertaken by an officer or employee on a voluntary basis which are not prohibited by this Ordinance.

(e) No person shall be denied or deprived of employment solely because he or she is a member or an officer of a political committee, of a political party, or of a political organization or club.

ARTICLE 3 GIFT BAN

Section 3-1. Gift ban. Except as permitted by this Article, no officer or employee, and no spouse of or immediate family member living with any officer or employee (collectively referred to herein as "recipients"), shall intentionally solicit or accept any gift from any prohibited source, as defined herein, or which is otherwise prohibited by law or ordinance. No prohibited source shall intentionally offer or make a gift that violates this Section.

Section 3-2. Exceptions. Section 3-1 is not applicable to the following:

- (1) Opportunities, benefits, and services that are available on the same conditions as for the general public.
- (2) Anything for which the officer or employee, or his or her spouse or immediate family member, pays the fair market value.
- (3) Any (i) contribution that is lawfully made under the Election Code or (ii) activities associated with a fundraising event in support of a political organization or candidate.
- (4) Educational materials and missions.
- (5) Travel expenses for a meeting to discuss business.

- (6) A gift from a relative, meaning those people related to the individual as father, mother, son, daughter, brother, sister, uncle, aunt, great aunt, great uncle, first cousin, nephew, niece, husband, wife, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, and including the father, mother, grandfather, or grandmother of the individual's spouse and the individual's fiancé or fiancée.
- (7) Anything provided by an individual on the basis of a personal friendship unless the recipient has reason to believe that, under the circumstances, the gift was provided because of the official position or employment of the recipient or his or her spouse or Immediate family member and not because of the personal friendship. In determining whether a gift is provided on the basis of personal friendship, the recipient shall consider the circumstances under which the gift was offered, such as: (i) the history of the relationship between the individual giving the gift and the recipient of the gift, including any previous exchange of gifts between those individuals; (ii) whether to the actual knowledge of the recipient the individual who gave the gift personally paid for the gift or sought a tax deduction or business reimbursement for the gift; and (iii) whether to the actual knowledge of the recipient the individual who gave the gift also at the same time gave the same or similar gifts to other officers or employees, or their spouses or immediate family members.
- (8) Food or refreshments not exceeding \$75 per person in value on a single calendar day; provided that the food or refreshments are (i) consumed on the premises from which they were purchased or prepared or (ii) catered. For the purposes of this Section, "catered" means food or refreshments that are purchased ready to consume which are delivered by any means.
- (9) Food, refreshments, lodging, transportation, and other benefits resulting from outside business or employment activities (or outside activities that are not connected to the official duties of an officer or employee), if the benefits have not been offered or enhanced because of the official position or employment of the officer or employee, and are customarily provided to others in similar circumstances.
- (10) Intra-governmental and inter-governmental gifts. For the purpose of this Act, "intra-governmental gift" means any gift given to an officer or employee from another officer or employee, and "inter-governmental gift" means any gift given to an officer or employee by an officer or employee of another governmental entity.
- (11) Bequests, inheritances, and other transfers at death.

- (12) Any item or items from any one prohibited source during any calendar year having a cumulative total value of less than \$100.

Each of the exceptions listed in this Section is mutually exclusive and independent of every other.

Section 3-3. Disposition of gifts. An officer or employee, his or her spouse or an immediate family member living with the officer or employee, does not violate this Ordinance if the recipient promptly takes reasonable action to return a gift from a prohibited source to its source or gives 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, as now or hereafter amended, renumbered, or succeeded.

ARTICLE 4 ETHICS ADVISOR

The General Counsel is designated as the Ethics Advisor for Metra. The Ethics Advisor shall: (1) if required by law, review statements of economic interest and disclosure forms of senior employees and employees who monitor contracts; (2) provide guidance to employees in the interpretation and implementation of this Ordinance or the Act; and (3) perform all other duties required of an Ethics Advisor under this Ordinance or the Act.

ARTICLE 5 ENFORCEMENT

Section 5-1. Upon receipt of a written, signed, and notarized complaint alleging that an Employee other than the executive director violated this ordinance, the executive director shall direct the general counsel to appoint counsel to investigate and report on the alleged violation to the executive director. The investigating counsel shall determine if, based upon the evidence, there is probable cause that a violation has occurred. If prosecution is warranted and/or the internal disciplinary process should be initiated after reviewing the report, the executive director shall direct the general counsel to: (a) contact the attorney general or the state's attorney for prosecution; (b) if necessary, appoint special counsel to prosecute the manner judicially; and/or (c) recommend the matter for handling by the appropriate internal disciplinary process.

Section 5-2. Upon receipt of a written, signed, and notarized complaint alleging that the executive director or a Board member violated this ordinance, any other Board member(s) may direct the general counsel to appoint counsel to investigate and report on the alleged violation to the Board in executive session for consideration. The investigating counsel shall determine if, based upon the evidence, there is probable cause that a violation has occurred. If prosecution is warranted and/or an internal disciplinary process should be initiated after reviewing the report, the Board shall direct the general counsel to: (a) contact the attorney general or the state's attorney for prosecution; (b) if necessary, appoint special counsel to prosecute the manner judicially; and/or (c) appoint

special counsel to recommend to the Board the appropriate procedure to handle the matter internally.

Section 5-3. An investigation may not be initiated more than one year after the most recent act of the alleged violation, except where there is reasonable cause to believe that fraudulent concealment has occurred. To constitute fraudulent concealment sufficient to toll this limitation period, there must be an affirmative act or representation calculated to prevent discovery of the fact that a violation has occurred.

ARTICLE 6 PENALTIES

Section 6-1. A person who intentionally violates any provision of Article 2 (Prohibited Political Activities) of this Ordinance may be punished by a Class A misdemeanor, being a term of incarceration in a penal institution other than a penitentiary for a period of not more than 364 days, and may be fined in an amount not to exceed \$2,500.

Section 6-2. A person who intentionally violates any provision of Article 3 (Gift Ban) of this Ordinance is subject to a business offense and subject to a fine in an amount of not less than \$1,001 and not more than \$5,000.

Section 6-3. Any person who intentionally makes a false report alleging a violation of any provision of this Ordinance to the executive director, board, the attorney general, state's attorney or any other law enforcement official may be punished by a Class A misdemeanor, being a term of incarceration in a penal institution other than a penitentiary for a period of not more than 364 days, and may be fined in an amount not to exceed \$2,500.

Section 6-4. If a violation of Article 2 of this Ordinance is prosecuted by Metra, it shall be prosecuted as a criminal offense by an attorney for Metra by filing in the circuit court an information, or sworn complaint, charging such offense. The prosecution shall be under and conform to the rules of criminal procedure. Conviction shall require the establishment of the guilt of the defendant beyond a reasonable doubt.

Section 6-5. If Metra prosecutes an Article 3 violation, an attorney for Metra shall prosecute it as a quasi-criminal offense.

Section 6-6. In addition to any other penalty that may be applicable, whether criminal or civil, an officer or employee who intentionally violates any provision of this Ordinance is subject to discipline or discharge as authorized.

SECTION B: CONFLICTS. This Ordinance does not repeal or otherwise amend or modify any existing ordinances or policies that regulate the conduct of Division officers and employees. To the extent that any such existing ordinances or policies are less restrictive than this

Ordinance, however, the provisions of this Ordinance shall prevail in accordance with the provisions of 5 ILCS 430/70-5(a).

SECTION C: AMENDMENTS. Any amendment to the Act that becomes effective after the effective date of this Ordinance shall be incorporated into this Ordinance by reference and shall be applicable to the solicitation, acceptance, offering and making of gifts and to prohibited political activities. However, any amendment that makes its provisions optional for adoption shall not be incorporated into this Ordinance by reference without formal action by the Board.

SECTION D: CONSTITUTIONALITY

1. If the Illinois Supreme Court declares the Act unconstitutional in its entirety, then this Ordinance shall be repealed as of the date that the Illinois Supreme Court's decision becomes final and not subject to any further appeals or rehearing. This Ordinance shall be deemed repealed without further action by the Board if the Act is found unconstitutional by the Illinois Supreme Court.

2. If the Illinois Supreme Court declares part of the Act unconstitutional but upholds the constitutionality of the remainder of the Act, or does not address the remainder of the Act, then the remainder of the Act as adopted by this Ordinance shall remain in full force and effect; however, that part of this Ordinance relating to the part of the Act found unconstitutional shall be deemed repealed without further action by the by the Board.

SECTION E: IMPLEMENTATION

1. This Ordinance shall be in effect upon its passage and approval by the Board as provided by law.

2. The Executive Director is hereby authorized and directed to take all necessary action to implement this Ordinance and any amendments to the Act.

Adopted: May 11, 2004.

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**COMMUTER RAIL BOARD
ORDINANCE NO. MET 12-03
REVISED BIDDING REGULATIONS**

WHEREAS, the Board of Directors (“Board”) of the Commuter Rail Division of the Regional Transportation Authority (“Metra”) is committed to honest and efficient operation of commuter rail services;

WHEREAS, efficient and open competitive bidding in procurement and contracts substantially furthers Metra’s purposes and operations;

WHEREAS, the current bidding regulations are not found in any one ordinance, but are comprised of a series of Ordinances, including: MET 94-18, MET 96-13, MET 95-27, and MET 02-33 (collectively, “Prior Ordinances”);

WHEREAS, the Board desires to promote transparency, efficiency, and clarity in the execution and administration of the bidding regulations by restating, updating, and consolidating Metra’s internal bidding regulations;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD AS FOLLOWS:

1. The bidding regulations attached hereto are hereby adopted, and shall become effective May 1, 2012.
2. The attached bidding regulations shall supersede the Prior Ordinances and take precedence and control over any previously enacted conflicting ordinances, regulations, rules, or policies.
3. The Executive Director/Chief Executive Officer is hereby authorized to take such actions as he deems necessary to implement and administer this Ordinance and the attached regulations.

January 20, 2012

AMENDED AND RESTATED
COMMUTER RAIL DIVISION OF THE REGIONAL TRANSPORTATION
AUTHORITY REGULATIONS GOVERNING PUBLIC BIDDING

I. PURPOSE

1.01 These regulations have been adopted for the purpose of assuring full and fair competitive bidding in procurements and contracts.

II. COMPETITIVE BIDDING

2.01 Purchases. Except as otherwise provided in these Regulations, all contracts or purchase orders for the construction or acquisition of services or public transportation facilities (other than real estate) involving a cost of more than \$10,000 shall be let by free and open bidding, after public notice, to the lowest responsive and responsible bidder.

2.02 Sales. Except as otherwise provided in these Regulations, all contracts for disposition (sale) of fee simple title to any property of the Division and leases for more than 99 years shall be let by free and open bidding to the highest bidder. However, leases of Division property for 99 years or less but for more than 20 years shall be offered for lease through the competitive negotiation process (requests for proposals). Leases for 20 years or less and property leased by the Division, easements, licenses and concessions, and all documentation for them, may be entered into without public bidding.

2.03 Exceptions. The competitive bidding requirements of these Regulations do not apply to:

- (a) Acquisitions of repair parts, accessories, equipment or services previously furnished or contracted for.
- (b) The immediate delivery of supplies, material or equipment or performance of service when it is determined by the Executive Director/Chief Executive Officer (“CEO”) that an emergency requires immediate delivery or supply thereof and there is a concurrence of two thirds of the then Directors.
- (c) Goods or services that are economically procurable from only one source.
- (d) Contracts for the maintenance or servicing of equipment which are made with the manufacturers or authorized service agent of that equipment where the maintenance or servicing can best be performed by the manufacturer or authorized service agent, or such a contract would be otherwise advantageous to the Division. The exception provided in this sub-paragraph (d) shall not apply to contracts for plumbing, heating, piping, refrigeration and automatic temperature control systems, ventilating and distribution systems for conditioned air and electrical wiring.

- (e) Goods or services procured from another governmental agency, including, without limitation, procurements pursuant to joint government purchasing.
- (f) Purchases and contracts for the use or purchase of data processing equipment and data processing systems software.
- (g) The acquisition of professional or utility services. "Professional services" are services the quality and reliability of which depend in substantial part upon the individual skills, training, experience or ability of the person rendering such service.
- (h) Purchase of service agreements or other contracts, purchases or sales entered into by the Division with any transportation agency or unit of local government.
- (i) The acquisition of public transportation equipment including, but not limited to, rolling stock and locomotives, provided that: (1) it is determined by a vote of 2/3 of the then members of the Board that negotiated acquisition offers opportunities with respect to the cost or financing of the equipment, its delivery, or the performance of a portion of the work within the State or the use of goods produced or services provided within the State; (2) a notice of intention to negotiate for the acquisition of such public transportation equipment is published in a newspaper of general circulation within the City of Chicago inviting proposals from qualified vendors; (3) any contract with respect to such acquisition is authorized by a vote of 2/3 of the then members of the Board; and (4) the procedures set forth in Section 2.04 apply to such acquisitions.

2.04 Procedures for Competitive Negotiation.

- (a) The following procedures apply to acquisitions by negotiation authorized in accordance with subsection 2.03 (i):
 - (1) Requests for proposals will be publicized and will identify all evaluation factors and their relative importance, and any response to publicized requests for proposals shall be honored to the maximum extent practical;
 - (2) Proposals will be solicited from an adequate number of qualified sources;
 - (3) Written procedures are adopted in advance for conducting technical evaluation of the proposals received and for selecting awardees;
 - (4) Awards will be made to the highest ranking responsive, responsible firm whose proposal is most advantageous to the Division's program, with price and other factors considered.
- (b) If so stated in the Request for Proposals, selection may be made on the basis of original proposals, without negotiation with any offerer. If negotiations are conducted at all, however, they must be conducted with all offerers in the competitive range, i.e., all offerers that are determined to have a reasonable chance of being selected for award based on cost or price and other factors that were stated in the solicitation.

2.05 [INTENTIONALLY DELETED]

III. PROCEDURES

3.01 Public Notice for Bids: Time. All proposals to award purchase orders or contracts subject to these Regulations shall be published at least once in a newspaper of general circulation in the Metropolitan Region at least ten (10) business days in advance of the date announced for the receiving and opening of bids and shall simultaneously be posted at the principal office of the Division.

3.02 Content of Public Notice for Bids. Advertisements for bids shall describe the character of the proposed contract of agreement in sufficient detail to enable the bidders thereon to know what their obligations will be, either in the advertisement itself, or by reference to detailed plans and specifications on file at the time of the publication of the first announcement.

Such advertisement shall also state the date, time and place assigned for the opening of bids, and no bids shall be received at any time subsequent to the time indicated in the announcement. An extension of time may be granted for the opening of such bids upon publication in a newspaper of general circulation in the Metropolitan Region of the date to which the bid opening has been extended. The time of the bid opening extension shall not be less than five (5) days after the publication thereof, Saturdays, Sundays and legal holidays excluded.

3.03 Additional Notice. Nothing in these Regulations shall be construed to prevent the Division from providing additional notice for bids.

3.04 Earnest Money Deposits. Cash, cashier's check, a certified check, money order or bond of a surety satisfactory to the Division as a deposit of good faith, in a reasonable amount but not in excess of ten percent (10%) of the contract amount, may be required of each bidder by the Division. The advertisement for bids shall specify the deposit required.

3.05 Collusion. This Section shall sunset upon the passage of a subsequent consolidated ordinance incorporating this clause in substantially the same form or as amended by applicable law, regulation, or ordinance. Any agreement or collusion among bidders or prospective bidders in restraint of freedom of competition by agreement to bid a fixed price, or otherwise, shall render the bids of such bidders void. Each bidder shall accompany his bid with a sworn statement, or otherwise swear or affirm, that he has not been a party to any such agreement. Any disclosure of the terms of the bids submitted in response to an advertisement made or permitted by the Division in advance of the opening of bids, shall render the proceedings void and shall require re-advertisement. If two or more identical bids are received under these Regulations, the Division shall inform the Attorney General of the State of Illinois of such fact in writing within thirty (30) days following the disposition of all bids received in response to the advertisement for bids, whether by awarding of a contract or other action.

3.06 Opening of Bids. All bids under these Regulations shall be publicly opened. All such bids shall be open to public inspection.

3.07 Records Required. Each bid received under these Regulations shall be entered on a record showing the name of each bidder and indicating the successful bidder. After award of the contract, such record shall be open to public inspection at the offices of the Division. An official copy of each awarded purchase order or contract, together with all attachments, assignments and written consents thereto, shall be retained by the Division for such period of time after termination of the contract during which an action against the Division might ensue under applicable laws of limitation. Such file shall be open to the public.

3.08 Determining Responsible Bidders. In determining the responsibility of any bidder, the Division may take into account other factors in addition to financial responsibility and specification compliance, such as past records of transactions with the bidder, experience, adequacy of equipment, special or unique skills of performance, ability to complete performance within a specified time limit, and other pertinent considerations.

3.09 Bonds of Bidders. Bond may be required of each bidder upon contracts involving amounts in excess of \$25,000 when, in the opinion of the Division, the public interest will be served thereby. Such bond shall be with sufficient sureties. It shall be in such amount as shall be deemed adequate (a) to insure performance of the contract in the time and manner prescribed in the contract, and (b) to save, indemnify, and keep harmless the Division against all loss, damages, claims, liabilities, judgments, costs and expenses which may in anyway accrue against the Division in consequence of the granting of the contract, or which may in anyway result therefrom.

3.10 Rejection of Bids. Any bid, any part of any bid, or all bids may be rejected by the Division for any reason.

IV. CONTRACTS

4.01 Assignment of Contracts. To the extent practicable, contracts or purchase orders shall not be assignable or sublet by the successful bidder without the prior, written authorization of the Division.

4.02 Authorization, Execution, and Delegation.

(a) Unless otherwise limited below, the CEO is authorized to sign and execute contracts and purchase orders that are valued up to a maximum of \$100,000 without Board approval.

(b) The CEO may sign and execute grants of easements, licenses, leases, and concessions without Board approval if the total value of the agreement is less than \$10,000 and the term is not greater than five years. In addition, the CEO may also sign and execute grants of easements for up to \$100,000 with government agencies and public utilities without Board approval.

(c) The CEO may sign and execute rights of entry and filming agreements and amendments thereto, permitting the temporary use of the Division's property by others

without Board approval where such term, including any extension, is for less than one year.

(d) The CEO may sign and execute agreements entered into through joint purchasing agreements valued up to \$100,000 without Board approval.

(e) The CEO may sign and execute written consents involving subletting, assignments, tenant mortgages, and revised proposed uses with respect to leases and licenses without Board approval.

(f) The CEO may sign and execute, without Board approval, grant agreements, applications, and amendments involving the receipt of grant funds.

(g) If an emergency exists, the CEO may enter into contracts pursuant to Section 2.03(b), provided it is determined by the concurrence of 2/3rd of the then Directors at the next public Board meeting that an emergency required immediate delivery of supplies, material, equipment, or performance of a service.

(h) Contract Amendments/Change Orders.

(1) For contracts that did not require prior Board approval, the CEO may sign and execute all contract and purchase order amendments so long as the total value of the underlying contract and all amendments do not exceed the applicable authority limit.

(2) For contracts that were executed with prior Board approval, the CEO may sign and execute amendments to such contracts, but only up to the lesser of: \$100,000 or 10% of such underlying contract's original not-to-exceed amount. Once the threshold limitations as provided for in this subsection are reached for a contract, all subsequent amendments require prior Board approval.

(3) The CEO may sign and execute, without Board approval, fixed facility agreement amendments with other railroads valued over \$100,000 that are necessary to accommodate the repair, renovation or construction of commuter facilities or related improvements, provided that the Board has approved expenditure of the relevant funds through the annual operating or capital budget. This subsection does not apply to purchase of service agreements.

(i) All contracts, purchase orders, and amendments that the CEO is authorized to sign and execute without Board approval shall be reported to the Board in a manner acceptable to the Chairman.

(j) The CEO may delegate his or her authority enumerated herein to execute any contract, purchase order, or amendment to an appropriate officer of the Division. All delegations shall be in writing. The original shall be forwarded to the Assistant Secretary to the Board, with copies to the General Counsel and Chief Financial Officer. At the CEO's discretion, delegations may be limited to the period that the original

delegate is unable to perform, such as during vacancies, vacations, and illnesses. Unless limited by the CEO, a person assuming an “acting” position shall also assume that position’s delegated authority. The CEO shall supply the Board with a list of delegated authority annually.

(k) Subject to the restrictions set forth in MET 11-05 and MET 11-06, the CEO shall continue to have the separate authority to sign, execute, and delegate for signature agreements procuring insurance coverage and settling claims and lawsuits.

(l) The CEO must obtain Board approval to sign and execute any contract, purchase order, or amendment for which execution authority has not been granted by these regulations or a subsequent ordinance.

(m) Contracts for purchase of goods and services over a year are subject to the Board’s appropriation of funds.

(n) The Assistant Secretary to the Board is hereby authorized to attest to any such contracts on behalf of the Division, and the CEO is hereby authorized to take such action as the CEO deems necessary or appropriate to implement, administer and enforce the terms of such contracts.

4.03 Conflicts of Interest. This Section shall sunset upon the passage of a subsequent consolidated ordinance incorporating these clauses in substantially the same form or as amended by applicable law, regulation, or ordinance.

Members of the Board, officers and employees of the Division, their spouses, their children, their parents, their brothers and sisters and their children, are prohibited from having or acquiring any contract or any direct pecuniary interest in any contract which will be wholly or partially performed by the payment of funds or the transfer of property of the Division. Any firm, partnership, association or corporation from which any member of the Board, officer or employee of the Division is entitled to receive more than seven and one-half percent (7-1/2) of the total distributable income, is prohibited from having or acquiring any contract or direct pecuniary interest in any contract which will be performed in whole or in part by payment of funds or the transfer of property of the Division.

Any firm, partnership, association or corporation from which members of the Board, officers, employees of the Division, their spouses, their children, their parents, their brothers and sisters and their children, are entitled to receive in the aggregate more than fifteen percent (15%) of the total distributable income, is prohibited from having or acquiring any contract or direct pecuniary interest in any contract which will be performed in whole or in part by the payment of funds or the transfer of property of the Division. Nothing in this Section invalidates the provisions of any bond or security hereto or hereafter offered for sale or sold by or for the Division.

As provided in the common grant rules and in the Federal Transit Administration (FTA) Master Agreement, no employee, officer, agent, or board member, or his or her immediate family member, partner, or organization that employs or is about to employ any of the foregoing

individuals may participate in the selection, award, or administration of a contract supported with FTA assistance if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of those individuals previously listed has a financial or other interest in the firm selected for award.

4.04 Contracts Violating Regulations. Any purchase order or contract executed in violation of these Regulations shall be voidable as to the Division.

4.05 Rules of Construction & Applicability. This ordinance is intended for general applicability. If there is a conflict between this ordinance and an ordinance involving more specificity, the more specific ordinance is intended to control if that ordinance was passed after the passage of this ordinance. If grant funds or state law require more strict requirements than those enumerated herein, the Division shall follow the more strict requirements. The CEO is deemed to have been designated with authority to sign and execute agreements as set forth above upon the passage of this ordinance.

V. DEFINITIONS

5.01 Definitions. As used in these Regulations:

- (a) “Act” means the Regional Transportation Authority Act.
- (b) “Board” means the Board of Directors of the Division.
- (c) The terms “contract” and “agreement” shall mean both “contract” and “agreement” unless clearly intended otherwise.
- (d) “Division” means the Commuter Rail Division of the Regional Transportation Authority.
- (e) “Executive Director/Chief Executive Officer” shall have the meaning set forth in the Act. From time-to-time, the term “Chief Executive Officer” may be used on contracts and purchase orders and shall have the same meaning as “Executive Director/Chief Executive Officer” because the positions are one and the same as each other.
- (f) “Metropolitan Region” means all territory included within the territory of the Regional Transportation Authority as provided in the Act, and such territory as may be annexed to the Authority.

EXHIBIT 7(ii)

Metra's Internal OEIG Contact Webpage

Corporate

Ethics

Contact

Ethics Certification

Gift Ban

Hotline

Revolving Door

Forms

Holiday Schedule

Locations

Policies

Snow Emergency Plan

Report Wrongdoing - Hotline

If you notice any wrongdoing by Metra employees, Board members, or vendors, please report the matter immediately. You may use any of the following avenues to report a potential wrongdoing:

Metra's Compliance Counts Program

Metra's Compliance Counts Program offers a confidential way for Metra employees to report potential violations. If you witness a possible violation, please contact the compliance staff at:

By Telephone: 312-COMPLY1

By Email: compliancecounts@metrarr.com

To access Metra's Compliance Counts webpage, please click [here](#).

Office of the Executive Inspector General

Established in 2003, the OEIG is an independent state agency. The OEIG's primary function is to investigate fraud, waste, abuse, and violations of laws, rules, and policies in governmental entities. The OEIG investigates allegations of misconduct by the employees, appointees, and elected officials under its jurisdiction. The OEIG also has responsibility for investigating alleged violations by those doing business with entities under its jurisdiction.

A Metra employee may report possible ethics violations directly to the OEIG. For information on how to file a complaint with the OEIG, please click [here](#).

To access the OEIG monthly newsletter, please click [here](#).

To access publicly Released OEIG Summary Reports of Investigations, please click [here](#).

You may also report wrongdoing to the police or any other state or federal law enforcement authority.

Employees that report a possible ethics violation to Metra or the OEIG are generally protected from any form of retaliatory measure, under the Whistleblower Act.

EXHIBIT 7(iii)

Metra's Previous OEIG Contact Webpage



A Message From The Inspector General

Recent legislation designated the Office of Executive Inspector General for the Agencies of the Illinois Governor (the "OEIG") to serve as Executive Inspector General for Metra and the other regional transit boards (RTA, CTA, and Pace).

Effective July 1, 2011, our office will accept all complaints of misconduct relating to Metra and, when appropriate, we will open and conduct investigations. In addition, we will conduct all pending investigations, including those initiated by Metra's present Inspector general, Hiltard Heintze, LLC.

For those unfamiliar with our office, we are an independent, nonpartisan state agency established in 2003. We have conducted hundreds of investigations in a fair and impartial manner and our efforts – as illustrated by the Executive Ethics Commission's decision in Meza v. Erwin, 11 EEC-005 – have exposed unethical conduct. In the Erwin matter, the misconduct related to prohibited political activities Ms. Erwin engaged in while serving as head of the Illinois Board of Higher Education.

Our investigations have also uncovered various forms of misconduct, including benefit fraud, procurement and hiring improprieties, improper use of state resources and time abuse. In addition, our responsibilities include monitoring state employment practices, overseeing employee ethics training, and issuing revolving door employment determinations.

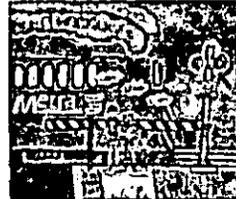
Our experienced and professional attorneys, investigators, and paralegals are fully committed to honest government and the highest standards of public service. We believe we are well equipped to serve Illinois citizens as Executive Inspector General for Metra and the other regional transit boards.

We invite you to visit our website at www.inspectorgeneral.illinois.gov and encourage you to report misconduct, fraud, or abuse, related to Metra or any other transit board [click here](#). Complaints may be filed in a variety of ways, such as via our toll-free hotline (888-814-1113), TDD (888-281-2734), mail, in person at either of the OEIG's two offices, or via our website.

If you have any questions or concerns about how the OEIG will function as Executive Inspector General for Metra, please contact us at 32 W. Randolph St., Ste. 1900, Chicago, IL 60601, (312) 814-5600 or at 607 E. Adams St., 14th Floor, Springfield, IL 62701, (217) 558-5600

We thank Metra for publishing this message and look forward to serving the state in this new role.

Ricardo Meza
Executive Inspector General



Metra Safety Poster Submission
Ashley, 4th Grade

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EXHIBIT 7(iv)

Executive Director/CEO Memo & Attachment re: OEIG

MEMORANDUM

Date: November 4, 2011
To: Metra Employees
From: Alex Clifford, Executive Director/CEO
Subject: Office of the Executive Inspector General – Disciplinary Decisions FY 2011

The Office of Executive Inspector General (the “OEIG”) recently published their Fiscal Year 2011 report (the “Report”) summarizing key statistics and ethics violation cases covering the period of July 1, 2010 through June 30, 2011. Even though the Report covers a time period prior to OEIG’s designation as Metra’s Executive Inspector General, the Report contains valuable information that applies to Metra and our obligations under the State Officials and Employees Ethics Act (the “Ethics Act”).

Among other things, the Report contains several pages of information on disciplinary decisions made by the Executive Ethics Commission (the “EEC”) and the OEIG against employees who violated provisions of the Ethics Act. The disciplinary cases deal with a wide range of infractions, including falsifying timekeeping records, misappropriating state property and resources by engaging in prohibited political activity, accepting gifts in violation of the Gift Ban, and violating the revolving door, to name a few.

In an effort to help us better understand the Ethics Act and the OEIG’s role in investigating all allegations, I am providing you with the attached excerpt summarizing the disciplinary decisions published by the EEC and the OEIG. The Report can be viewed in its entirety on OEIG’s website at the following address: http://www2.illinois.gov/oeig/Pages/annual_reports.aspx

I encourage all of you to read the attached excerpt and view it as another learning opportunity to understand our ethical requirements. If you have any questions on the Ethics Act, please contact Metra’s Ethics Officer at ethicsofficer@metrarr.com or 312-322-7446.

14 resigned before discipline could be imposed, and 17 left state employ before the OEIG completed its investigation); 13 were suspended; 12 had discharge or disciplinary proceedings initiated against them with the outcome incomplete as of the end of the fiscal year; 19 individuals were asked to make restitution; 28 were reprimanded (23 in writing, five orally); 41 individuals were counseled, reminded of regulations or re-trained; and one was fined. In seven instances, state agencies declined to discipline individuals altogether. For more on disciplinary actions resulting from OEIG investigations, see Appendix H.

Law Enforcement Referrals

In FY 2011, the OEIG referred 117 cases to law enforcement agencies including the Illinois Attorney General, the FBI, the U.S. Attorney’s Office, the Illinois State Police, county prosecutors, and various municipal and county police agencies.

OEIG referrals may result in criminal penalties. For example, on January 6, 2011, Angelica Vasquez was sentenced to eight years in prison for her role in an unemployment benefits scheme prosecuted by the U.S. Attorney’s Office for the Northern District of Illinois. The matter was investigated by several agencies, including the OEIG.

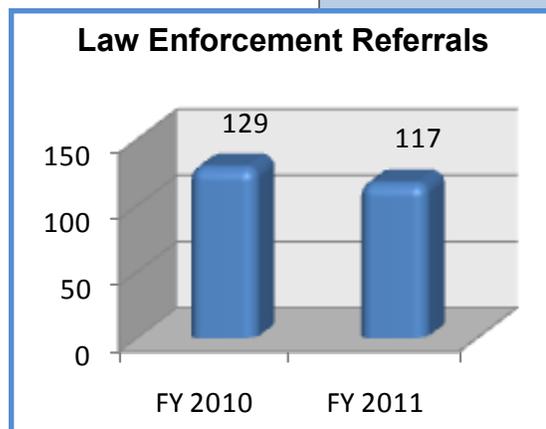
In court documents, prosecutors alleged Vasquez conspired with an Illinois Department of Employment Security employee to fraudulently process unemployment benefits for at least 75 ineligible applicants. Vasquez would charge the applicants \$80 to submit benefit applications on their behalf and would also take their first unemployment check as payment. Vasquez contended she was acting as a legal facilitator and was not aware the applicants were not eligible for the benefits they received.

On June 17, 2010 a federal jury convicted Vasquez on eight counts of mail fraud, determining she caused the fraudulently-obtained unemployment benefits to be delivered by U.S. mail. In addition to the eight-year prison sentence, U.S. District Court Judge Ronald Guzman ordered Vasquez to forfeit \$172,499 in assets to pay part of \$724,596 in restitution.

For more statistics on OEIG cases, see Appendices A-F.

Disciplinary Decisions by the Executive Ethics Commission in FY 2011

The OEIG, the EEC, and the Illinois Attorney General’s all play a role in the enforcement of the Illinois State Officials and Employees Ethics



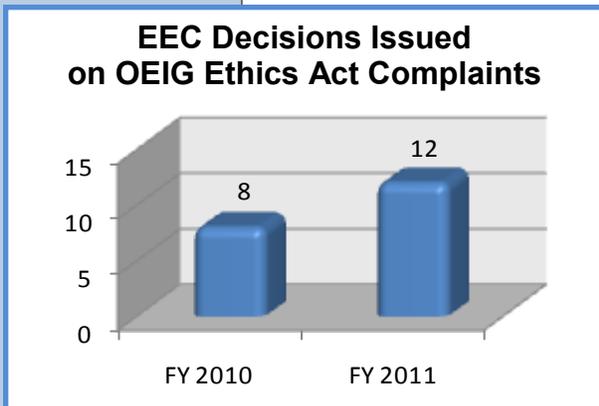
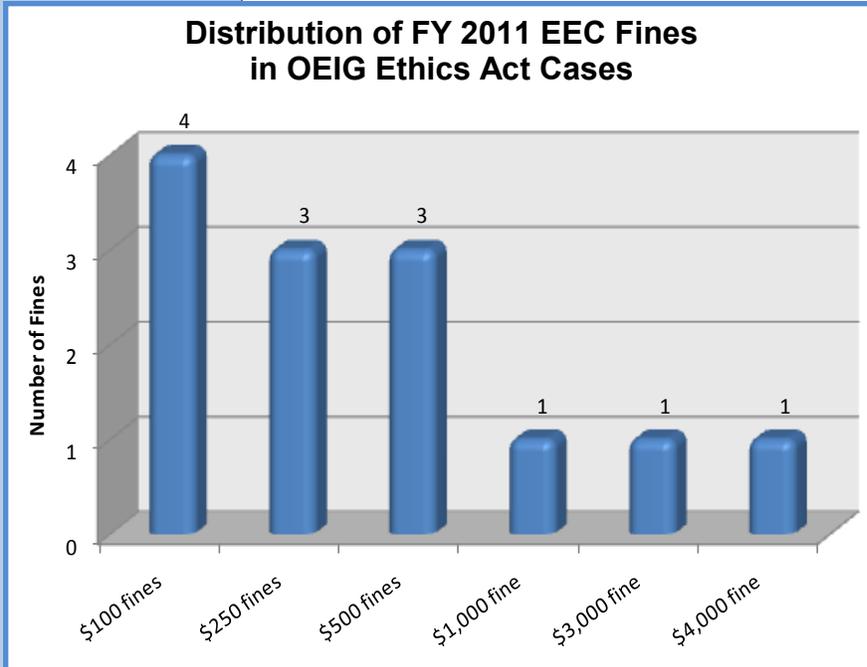
Act. If, at the conclusion of an investigation, the OEIG determines that a violation of the Ethics Act has occurred and it deems it appropriate to file a complaint with the EEC, the OEIG submits its report and supporting documents to the Illinois Attorney General.

If the Attorney General determines that reasonable cause exists to believe a violation of the Ethics Act has occurred, the Attorney General may file a complaint before the EEC as counsel for the OEIG. The complaint must be filed within 18 months of the violation unless there is reasonable cause to believe the subject has fraudulently concealed the violation. A copy of the complaint is served upon the subject, who then has 30 days to file an objection with the EEC. After this 30-day period has expired, the members of the EEC meet to review the sufficiency of the complaint.

If the EEC determines that the complaint sufficiently alleges a violation, it issues a notice of a hearing date, which cannot be more than four weeks after the notice is sent. At the hearing, the Attorney General (on behalf of the OEIG) and the subject present testimony and evidence before a hearing officer appointed by the EEC. Each of the nine commissioners of the EEC receives a transcript of the hearing, and the EEC has 60 days from the last date of the hearing (or the date the last brief is filed) to render a decision.

In FY 2011, the OEIG referred eight violations to the Illinois Attorney General for review. The Attorney General accepted six of those for prosecution, rejected one and the OEIG withdrew the eighth. Of the six matters accepted for prosecution by the Attorney General, the EEC found that an Ethics Act violation had occurred in three of them. The other three cases were still pending as of mid-August, 2011.

During FY 2011, the Executive Ethics Commission publicly released 12 Ethics Act decisions resulting from OEIG cases. The 12 decisions included some of the OEIG cases presented to the EEC in FY 2011 and some cases presented to the EEC in the prior fiscal year. The following are summaries of the 12 decisions.



Wright v. Criss (10-EEC-004)

On August 18, 2010, the Executive Ethics Commission issued its decision in *Wright v. Criss*. The EEC found, pursuant to stipulations agreed to by Illinois Department of Public Health (IDPH) employee Kathy Criss and IDPH employee Sally Norris, that Criss and Norris each misappropriated state property in violation of Section 5-15(a) of the Ethics Act by forwarding via state e-mail accounts a political message on September 22, 2008 that opposed the candidacy of vice-presidential candidate Sarah Palin. Each was fined \$100.

The EEC imposed a total of \$10,650 in fines in OEIG cases in FY 2011.

Wright v. Haddad (10-EEC-008)

On August 18, 2010, the EEC issued its decision in *Wright v. Haddad*. The EEC found, pursuant to stipulations agreed to by Illinois Department of Transportation Project Manager Nicholas Haddad, that Haddad misappropriated state property in violation of 5 ILCS 430/5-15(a) by using a state computer to view, in 2008, two political campaign-related e-mails in Haddad's non-state e-mail account. Haddad had already been suspended five days without pay for the infraction. Haddad was fined \$250.

Wright v. Hartigan (10-EEC-010)

On September 15, 2010, the EEC issued its decision in *Wright v. Hartigan*. The EEC found after an evidentiary hearing that Illinois Department of Transportation employee Sylvester Hartigan misappropriated state property for prohibited political purposes. He used his IDOT truck to stop at North Riverside municipal offices on his way home from work on December 17, 2008 to pick up permit applications for campaign signs for Hartigan's campaign for North Riverside mayor. Hartigan was fined \$100.

Meza v. Moore (09-EEC-012)

On October 13, 2010, the EEC issued its decision in *Meza v. Moore*. After an evidentiary hearing. The EEC determined that Illinois Department of Transportation Deputy Director for the Office of Business and Workforce Diversity Stanley Moore violated two sections of the Ethics Act. The EEC determined that Moore, who was a candidate for state representative, violated Section 5-15(a) of the act on December 18, 2007, January 8, 2008 and January 14, 2009 when he left his state office to engage in political fundraising during hours he reported as working for the state. The EEC also found that Moore subsequently violated Section 50-5(e) of the Ethics Act when he obstructed and interfered with an OEIG investigation by falsely claiming he had actually been in the office during those times. Moore's employment was terminated April 1, 2009. He was fined \$3,000.

"Respondent Stanley Moore intentionally obstructed and interfered with an investigation."

—09-EEC-012

Meza v. Martinez (10-EEC-015)

On October 13, 2010, the EEC issued its decision in *Meza v. Martinez*. The EEC issued its findings pursuant to stipulations agreed to by Jesus Martinez, the administrator of the Division of Fair Practices of the Illinois Capital Development Board. The EEC found that Martinez, a Proviso Township trustee and a candidate for the mayor of Melrose Park, attended hearings in Melrose Park regarding his candidacy on February 9, 19 and 25, 2009 while he was on state time or on days for which he received sick pay. The EEC noted the transgressions were “not inadvertent or insignificant.” The EEC indicated it would have fined Martinez a much higher amount, but took into account that he had already forfeited \$5,200 in salary and \$526.32 in benefits resulting from a 30-day suspension imposed by the Capital Development Board. Martinez was fined \$500.

“Respondent has received a 30-day suspension from the agency, which has resulted in his loss of \$5,200 in gross salary, plus insurance and retirement benefits.”

—10-EEC-015

Meza v. Fredrick (10-EEC-013)

On October 13, 2010, the EEC issued its decision in *Meza v. Fredrick*. The EEC issued its findings pursuant to stipulations agreed to by former Illinois Department of Human Services Business Manager for the Fox Developmental Center Michael Fredrick. The EEC found that Fredrick obstructed an OEIG investigation when he made several false statements during interviews on September 3 and 18 and October 9, 2008. The EEC found that Fredrick lied to investigators in an attempt to justify miscoded agency expenditures. He later admitted to deliberately miscoding the expenditures to give them the appearance of having the requisite agency approval. Fredrick left state employ before the decision was issued. Fredrick was fined \$500.

“[H]e intentionally made several false statements attempting to justify expenditures he had authorized.”

—10-EEC-013

Meza v. Frazer (10-EEC-014)

On November 17, 2010, the EEC issued its decision in *Meza v. Frazer*. The EEC found, per stipulations agreed to by Department of Human Services caseworker Judith Frazer, that Frazer misappropriated state property in violation of Section 5-15(a) of the Ethics Act by using a state computer to forward, on October 27, 2008, an e-mail seeking campaign volunteers for Presidential candidate Barack Obama. Frazer was fined \$100.

Wright v. Alston (10-EEC-016)

On December 15, 2010, the EEC issued its decision in *Wright v. Alston*. The EEC found after an evidentiary hearing that DHS caseworker Nada Alston violated Section 5-15(a) of the Ethics Act sometime in 2008 by engaging in prohibited political activity by giving a Barack Obama button to a coworker during Alston’s state-compensated 15-minute break. Alston was fined \$250.

Meza v. Erwin (11-EEC-005)

On February 16, 2011, the EEC issued its decision in *Meza v. Erwin*. The EEC found that former Illinois Board of Higher Education (IBHE) Director Judith Erwin had intentionally misappropriated state property and resources by engaging in prohibited political activity in violation of Section 5-15(a) of the Ethics Act. The EEC cited the following conduct by Erwin as violations:

- using state e-mail on July 11, 2008 to ask an IBHE employee to send her information about a political fundraiser for a state representative;
- asking an IBHE employee to hand-deliver a campaign contribution check at the fundraiser;
- using state e-mail to send 18 messages planning her trip to the 2008 Democratic National Convention, and to send near-daily reports from the convention;
- instructing a state employee to make travel arrangements to the convention for her, her nephew and a friend, which the employee did on state-compensated work time;
- using state e-mail to send and receive 22 messages related to her membership on Barack Obama’s Education Policy Committee;
- giving out her state-issued cellular telephone number as a way to reach her regarding campaign matters;
- using state e-mail to communicate with the Obama campaign regarding political contributions she made to that campaign;
- using her state phone on February 20, 2009 to call a potential donor on behalf of a U.S. Congressional candidate; and
- using state e-mail on February 20, 2009 to describe the outcome of calls to potential donors.

Erwin resigned her post effective August 15, 2010 and agreed not seek or take employment with the State of Illinois. Erwin also reimbursed the state \$1,281.63 for personal travel and telephone usage. The EEC noted as mitigating factors that Erwin had owned up to her conduct and cooperated in the investigation. However, as aggravating factors, it cited Erwin’s high-level office, her bad example of conduct for other employees, and her statement that she had made a political donation to a state representative because he was chairman of a committee with power over IBHE appropriations. “This suggests that she was responding to a real or imagined pay-to-play incentive within State government,” the EEC wrote. Erwin was fined \$4,000 — the second highest fine ever issued by the EEC.

“Particularly troubling is [Erwin’s] explanation for making a campaign contribution to a State Representative — she noted in her affidavit that he was the chairman of the IBHE budget. This suggests that she was responding to a real or imagined pay-to-play incentive within State government.”

—11-EEC-05

Meza v. Foreman (11-EEC-012)

On March 28, 2011, the EEC issued its decision in *Meza v. Foreman*. The EEC found, pursuant to stipulations agreed to by the former State Fire Marshall David B. Foreman, that Foreman violated the Gift Ban Section (10-10) of the Ethics Act. The EEC found that in October of 2008, while serving as fire marshall, Foreman and his brother played in a charity golf outing sponsored by the International Union of Elevator Constructors Local #2, using tickets given to them by the union. Because the union conducts activities regulated by the fire marshall’s office, the EEC ruled it a “prohibited source” of a gift. The EEC noted that as soon as Foreman realized the union was a prohibited source, he reimbursed the union \$290 for the outing. Foreman was fined \$250.

“It appears that respondent recognized too late that it was improper for him to accept free tickets to this golf outing.”

—11-EEC-012

Meza v. Stoutamyer (11-EEC-002)

On May 18, 2011, the EEC issued its decision in *Meza v. Stoutamyer*. The EEC found, pursuant to stipulations agreed to by Illinois Department of Natural Resources Office Assistant Shaun Stoutamyer, that she violated Section 5-15(a) of the Ethics Act by engaging in prohibited political activity during compensated time. The EEC found that Stoutamyer, during compensated time, took a picture in January or February of 2009 of her husband, Nick Stoutamyer, in an IDNR office, and later delivered the picture to the manager of her husband’s campaign for the Springfield school board to be used in campaign literature. IDNR reprimanded Stoutamyer for her conduct. She was fined \$500.

Meza v. Brown Hodge (11-EEC-008)

On June 15, 2011, the EEC issued its decision in *Meza v. Brown Hodge*. Pursuant to stipulations entered into by Carolyn Brown Hodge, the EEC found that Deputy Chief of Staff for the Office of the Illinois Governor Carolyn Brown Hodge violated Section 5-15 (a) of the Ethics Act in 2009 by sending or receiving approximately 15 e-mail messages of a political nature either on state time, or using state e-mail accounts or computers. In one instance in June, 2009, she sent or received eight e-mails during work time regarding Governor Pat Quinn’s availability for a meeting of Democratic county chairpersons. The EEC noted the low number of e-mails mitigated the conduct, but that Brown Hodge’s high position was an aggravating factor. Brown Hodge was fined \$1,000.

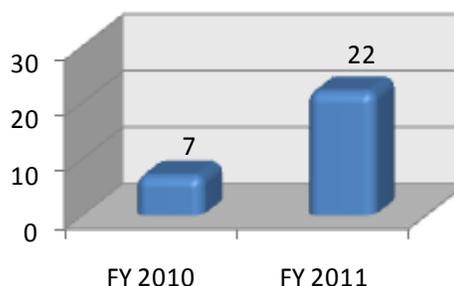
“By way of aggravation is the fact that respondent was a high-level State employee.”

—11-EEC-008

FY 2011 OEIG Reports Released by the EEC

In 2009, the Illinois legislature directed the Executive Ethics Commission to release to the public OEIG reports that resulted in discipline of at least three days suspension or greater. Under Section 20-52 of the Ethics Act, the EEC is also empowered to publicly release other reports, even if the subject received less than a three-day suspension. The EEC is required to redact the reports to protect the identity of witnesses, complainants or informants, or to protect “any information it believes should not be made public.” In FY 2011, the EEC published 22 summary reports, more than three times the number released in FY 2010. The following is a summary of the 22 OEIG reports made public in FY 2011:

Published OEIG “Founded” Reports



In Re: David Roberts (Case 09-00598)

On July 22, 2010, the EEC released a redacted version of an OEIG report concerning Illinois Department of Human Services Disability Claims Adjudicator David J. Roberts. The OEIG found that Roberts had violated DHS policy by inappropriately communicating with a DHS client. The investigation revealed that Roberts sent the female client a postcard with a copy of a Renoir painting of a nude woman on it. Roberts noted on the postcard that the painting was his “vision” of the client. DHS suspended Roberts for 20 days. In a statement, Roberts maintained the client was mentally unbalanced and was motivated to complain about him because he had demanded medical proof of her alleged disability. He noted he had never had a complaint in 26 years of service to DHS and said he was resigning in protest over how he had been treated by the OEIG and DHS.

In Re: Carol Kraus and Kerrie Petzo (Case 08-00705)

On December 16, 2010, the EEC released a redacted version of an OEIG report concerning former Chief Auditor of the Illinois Office of Internal Auditor (IOIA) Carol Kraus and a former internal auditor under her supervision, Kerrie Petzo. The OEIG concluded that Kraus showed preferential treatment to Petzo, by threatening and intimidating other employees into not reporting Petzo’s poor work performance. The OEIG documented that Petzo, Kraus’ friend, was routinely late or absent from work. When other employees tried to document Petzo’s poor performance, Kraus responded with an e-mail to three employees, threatening that if they again assigned someone to monitor Petzo’s tardiness “I AM TOTALLY GOING TO LOSE MY

“Kraus said she was surprised when the OEIG informed her that Petzo was late 10 out of her first 14 days working at the [Illinois Office of Internal Audits.]”

— OEIG Report 08-00705

TEMPER WITH EACH AND EVERY ONE OF YOU.” Kraus later said the employees had not made clear the extent of Petzo’s absenteeism and tardiness, and she disputed many of the report’s conclusions. Kraus has since left the IOIA and as of April, 2010 began serving as the Chief Financial Officer at the Illinois Department of Human Services. Petzo was asked to resign in January, 2009 and later did so. The Department of Human Services declined to impose discipline, noting that the events had not occurred within its department.

In Re: Charles McClendon (Case 08-00249)

“IDOT, and the taxpayers, should not pay McClendon overtime for the same hours he worked at Olive Harvey.”

— OEIG Report 08-00249

On December 16, 2010, the EEC released a redacted version of an OEIG report concerning Illinois Department of Transportation Engineering Technician Charles McClendon. The investigation revealed that McClendon had fraudulently billed the state overtime in the amount of \$6,227.22 from 2002 through 2008 for hours he had actually spent working at a second job as an instructor at a community college. IDOT issued McClendon a letter of dismissal on September 14, 2010.

In Re: Darrin Riley (Case 08-00959)

On December 16, 2010, the EEC released a redacted version of an OEIG report concerning Department of Human Services Internal Security Investigator Darrin Riley. The OEIG concluded that Riley had: improperly used state vehicles for personal purposes, incurred a \$100 traffic citation on September 10, 2008 during one such personal use, and violated state law by driving state vehicles without a valid driver’s license. DHS informed the OEIG that it terminated Riley’s employment on May 27, 2010.

In Re: Patricia Hopper (Case 09-00809)

On January 24, 2011, the EEC released a redacted version of an OEIG report concerning Illinois Department of Transportation Engineering Technician Patricia Hopper. The investigation revealed that Hopper had falsified time sheet records. The report noted OEIG investigators had put Hopper under surveillance on October 20, 2009 and on January 14, 2010 – two days that Hopper reported as having worked. Investigators observed Hopper on the first day cutting her lawn, sitting in her garage and entering a bar. On the second day she was observed emerging from her home only to retrieve her mail. In her response to the report, Hopper wrote “every penny I received from the state was earned.” Hopper’s employment was terminated October 8, 2010.

“Hopper was then observed sitting in her garage, cutting her grass, and re-entering her house.”

— OEIG Report 09-00809

In Re: Troy McMillan (Case 09-00402)

On January 24, 2011, the EEC released a redacted version of an OEIG report concerning Illinois Department of Employment Security Public Service Administrator Troy McMillan. The OEIG concluded that McMillan, in early 2008, failed to timely report the theft of her state-issued laptop computer. It also found that McMillan provided inaccurate information on her employment application by not clearly marking academic hours as “quarter hours” rather than semester hours, even though the form provided a method for doing so. McMillan was disciplined with a seven-day suspension and made to pay restitution of \$300. McMillan maintained in her response to the report that she had timely reported the theft of the laptop but merely failed to get a copy of the police report, and that she never intended to deceive anyone regarding her academic credentials.

In Re: John Grana (Case 08-00871)

On January 28, 2011, the EEC released a redacted version of an OEIG report concerning Illinois Department of Transportation Highway Maintenance Lead Worker John Grana. The investigation revealed that Grana’s acceptance of gifts – such as lunches, cigars and a leather jacket – from employees whose assignments he determined, created the appearance of a conflict of interest. The OEIG specifically found that several employees alleged Grana had told employees he had an “open drawer” policy for employees who wanted preferred assignments. One employee who received exemplary reviews for three years received unsatisfactory ratings for 2008 – the year he stopped buying Grana lunch. Grana contended he never solicited the gifts and that no conflict of interest was created. IDOT indicated that it intended to hold a disciplinary hearing on the matter. The documents released by the EEC do not indicate if any discipline was ever imposed.

“Such gift garnering by Grana evidenced the interference of his personal interests with his ability to exercise independent judgment in IDOT’s best interest.”

— OEIG Report 08-00871

In Re: Deborah Bennett (Case 09-00672)

On February 17, 2011, the EEC released a redacted version of an OEIG report concerning Department of Human Services Human Resources Specialist Deborah Bennett. The OEIG concluded that Bennett had falsified multiple employment documents in an effort to ensure that her son would be hired as a DHS mental health technician Trainee. The OEIG concluded Bennett falsified records indicating her son was present at a testing and interview session June 4, 2009 when, in fact, the son was not present. After DHS began termination proceedings, Bennett resigned her position effective September 10, 2010 and agreed not to seek re-employment with DHS.

In Re: Douglas White, Greg Alt, JoEllen Bahnsen (Case 08-1028)

The “law firm received a total of \$535,541.35 from the University since the inception of the contract.”

— OEIG Report 08-01028

On February 17, 2011, the EEC released a redacted version of an OEIG report concerning Illinois State University Collections Manager Douglas White. The OEIG concluded that White, who did not have contracting authority, improperly authorized a collections contract in 2000 with a law firm that employed White’s wife as a secretary. The OEIG also concluded that ISU Comptroller Gregory Alt and Assistant Comptroller JoEllen Bahnsen improperly approved a number of payments to the firms. ISU reported to the OEIG in March of 2010 that it intended to initiate disciplinary procedures against White and that it would provide Alt and Bahnsen additional training in payment-approval processes. In a written reply to the investigation’s conclusion, White wrote: “While many, many words could be written as to this process and how it was carried out, suffice it to say that the sole result of this exercise was simply [a] great loss.”

In Re: William Yeager (Case 10-00078)

“Yeager violated IDOR policy when he consumed alcohol while on duty.”

— OEIG Report 10-00078

On February 17, 2011, the EEC released a redacted version of an OEIG report concerning Illinois Department of Revenue Liquor Control Special Agent William Yeager. The OEIG concluded that Yeager violated state policy by consuming alcohol while on duty, by using his state-owned vehicle for personal uses and in an unsafe manner, and by failing to submit leave requests when leaving work early. The report documented that OEIG and the Internal Affairs Division of the Department of Revenue placed Yeager under surveillance and observed him consuming alcohol on the evening of August 19, 2010 before driving his state-owned vehicle. The Department of Revenue informed the OEIG that Yeager resigned October 31, 2010, after it began disciplinary proceedings.

In Re: Mya Clements (Case 10-00140)

On March 28, 2011, the EEC released a redacted version of an OEIG report concerning University of Illinois at Urbana-Champaign (UIUC) Office Support Specialist Mya Clements. The investigation concluded Clements, who was responsible for facilitating the orientation process for College of Medicine medical residents, completed mandated ethics training for 19 residents in June of 2009 rather than ensuring they completed the training themselves. Clements admitted the conduct to OEIG investigators and said no one had specifically suggested she complete the residents’ training for them, but that she did so because she felt general pressure in her understaffed office to complete the orientation process so residents could begin their medical training. Clements’ employment was terminated on September 18, 2010 and UIUC verified that each of the 19 medical residents who were still at UIUC subsequently completed ethics

training.

In Re: Vanessa Graham (Case 09-01265)

On March 28, 2011, the EEC released a redacted version of an OEIG report concerning Department of Human Services Mental Health Technician Vanessa Graham. The OEIG concluded that Graham had engaged in misconduct from 2003 to 2008 by signing monthly statements in which she represented that she was providing child-care services for her sister, Linda Jackson. As a result, DHS, which provides child-care payments for certain families qualifying for benefits, paid Graham \$27,159.45. The investigation revealed that Graham was actually working night shifts at DHS during the hours she had claimed to be providing child care services for Jackson. The OEIG recommended DHS fire Graham with no right to reinstatement and that it pursue legal action to recover the childcare payments. In a December 6, 2010 letter, DHS indicated it was pursuing both remedies.

“The OEIG also recommends that DHS institute legal proceedings against Graham to recover \$27,159.45.”

—OEIG Report 09-01265

In Re: Rebecca Muniz (Case 09-00406)

On March 28, 2011, the EEC released a redacted version of an OEIG report concerning Department of Human Services Caseworker Rebecca Muniz. The OEIG concluded that Muniz falsified timekeeping records in early 2009 and received pay for several days on which she did not actually work. DHS reported to the OEIG on January 14, 2011 that Muniz was discharged. The agency also reported it modified certain time-keeping procedures at the DHS location at which Muniz worked in an effort to prevent any similar future misconduct.

In Re: Jaime Viteri (Case 09-00860)

On March 28, 2011, the EEC released a redacted version of an OEIG report concerning Department of Commerce and Economic Opportunity employee Jaime Viteri, the managing director of the DCEO’s Bureau of Entrepreneurship and Small Business. The OEIG concluded Mr. Viteri had failed to submit a secondary employment form in violation of DCEO policy and that he had engaged in work for his outside personal business, Chicago Latino Network, while on state time in 2009. The OEIG issued no disciplinary recommendation because Viteri retired from state employment prior to issuance of its report.

In Re: Benjamin Macarthy (Case 09-00654)

On May 2, 2011, the EEC released a redacted version of an OEIG report concerning Department of Human Services Senior Rehabilitation Counselor Benjamin Macarthy. The OEIG concluded that Macarthy created the appearance of a conflict of interest in violation of DHS policy by

referring one of his clients to Excelsior Healthcare Academy, owned by Macarthy's wife, and approving a \$1,080 payment to Excelsior for training services provided to that client. The OEIG also found Macarthy forged a coworker's signature to Macarthy's travel voucher, a violation of DHS policy. Macarthy retired on December 1, 2010.

In Re: James McDaniel (Case 10-0009(a))

On May 26, 2011, the EEC released a redacted version of an OEIG report concerning Illinois Department of Transportation Chief of Business Services James McDaniel. The OEIG concluded that Mr. McDaniel violated IDOT policy by using alcohol and cocaine on state time during mid-day meetings in June through October of 2009 with a woman whom he told he would assist in securing a state job. The OEIG also concluded McDaniel abused state time by not accurately reporting his absences during those meetings and misused his state computer by shopping for women's lingerie. McDaniel left state employment in September, 2010.

"Mr. McDaniel admitted that he used cocaine."

—OEIG Report 10-0009(a)

In Re: Terence Mitchell (Case 09-01006)

On May 26, 2011, the EEC released a redacted version of an OEIG report concerning Terence Mitchell, who worked at both the Illinois Department of Human Services as a member of the Taskforce on the Condition of African American Males and at the University of Illinois at Chicago (UIC) as a graduate assistant. The investigation concluded that from November 2007 through May 2009, Mitchell submitted, on dozens of occasions, paperwork that indicated he was working at both jobs at the same time, or indicated he was out of town on DHS business and also in Chicago working at UIC. UIC and DHS each indicated that Mitchell is no longer an employee, and copies of the OEIG report were placed in both entities' personnel files to avoid re-employing Mr. Mitchell.

In Re: James Graham (Case 10-01004)

On May 26, 2011, the EEC released a redacted version of an OEIG report concerning Illinois Department of Corrections employee James Graham. The investigation revealed that Graham, in January of 2010, used a state photocopier to copy a campaign flyer for Graham's run for Democratic Party precinct committeeman. The OEIG concluded Graham conducted prohibited political activity during working hours in violation of the Ethics Act, but declined to refer the case to the Attorney General for EEC prosecution. The report also concluded Graham violated IDOC regulations by using state equipment for a task unrelated to state work. IDOC reported that Graham was terminated from state employment on March 1, 2011.

"Mr. Graham's intentional use of IDOC equipment during work hours to make copies of documents needed in his campaign ... is 'prohibited political activity' within the meaning of the Ethics Act."

—OEIG Report 10-01004

In Re: Wilmer Caraballo (Case 09-00645)

On June 17, 2011, the EEC released a redacted version of an OEIG report concerning Illinois Department of Transportation Yard Technician Wilmer Caraballo. The OEIG concluded that Caraballo had, on various instances in the fall of 2009, abused State time by arriving late or leaving early. The OEIG also concluded he misrepresented his hours on his time-sheet and violated secondary employment policies by letting a secondary job interfere with his IDOT job. IDOT reported disciplining Caraballo by suspending him without pay for one week in March, 2011.

In Re: James Cockrell (Case 09-00772)

On June 17, 2011, the EEC released a redacted version of an OEIG report concerning Illinois Capital Development Board Administrator of Capital Planning Liaisons James Cockrell. The OEIG concluded that during the second half of 2009, Cockrell violated CDB policy by engaging in personal business on state-compensated time. Specifically, the investigation concluded Mr. Cockrell's personal cell phone records included 133 hours and 38 minutes of non-state related phone calls during 700 work hours. The calls included communications with at least 57 different companies related to the trucking industry, which Cockrell was involved in as president of a trucking company until late 2009. CDB imposed a five-day suspension. CDB noted that Cockrell has otherwise performed his job duties well. Cockrell, in a response to the investigation, submitted a copy of Psalm 83 and a prior letter from his boss noting he had "exhibited excellent job performance."

In Re: Scott Flood (Case 09-00508)

On June 30, 2011, the EEC released a redacted version of an OEIG report concerning Illinois Department of Natural Resources Regional Land Manager for Region Four Scott Flood. The OEIG concluded that in 2009, Flood abused time by conducting personal business during the work day and by arriving late and leaving early; violated state vehicle policies by using a state pickup truck to transport a family member, a friend and a personally owned boat; violated IDNR phone policies; failed to properly disclose secondary employment and slept during the work day. The OEIG recommended that Flood be terminated. The IDNR placed Flood on paid administrative leave for two and one-half months through July 15, 2011 "to allow employee to vest with the State Employees Retirement System" before resigning from state employ, according to a separation agreement signed by Mr. Flood and IDNR Chief of Staff Jay Curtis.

In Re: Mary Alice Stouffe (Case 10-00257)

On June 30, 2011, the EEC released a redacted version of an OEIG report concerning Illinois Department of Human Services Human Re-

"Mr. Flood recalled periodically 'nodding off' in his office."
—OEIG Report 09-0058

sources Specialist Mary Alice Stouffe. The OEIG concluded that between June, 2009 and February, 2010, Stouffe abused state time and violated department phone and e-mail policies by engaging in excessive personal e-mails, phone calls and lengthy at-work visitations with personal friends not employed by DHS. Ms. Stouffe received a 30-day suspension.

EEC Revolving Door Appeals

State employees who disagree with the OEIG's determination regarding their acceptance of non-state employment may appeal the OEIG's decision to the Executive Ethics Commission.

In FY 2011, there was one such appeal heard by the EEC:

***In Re: Juan Lopez, Jr.* (11-EEC-006)**

On October 7, 2010, the EEC determined that Juan Lopez, Jr., a former investment officer with the Teachers Retirement System, failed to give timely notice before accepting a consulting Contract with Cabrera Capital Markets, LLC. Lopez worked for TRS until February 26, 2010 and was already working for Cabrera in April when he gave the OEIG notice of the Cabrera arrangement. Although both the OEIG and the EEC determined that Lopez was not personally and substantially involved with any Cabrera matters while at TRS, the EEC determined that Lopez' notification was nonetheless untimely because the Ethics Act required him to notify the OEIG before accepting the position.

FY 2011 Legislative Developments

Public Act 96-1528 (Senate Bill 3965)

In the wake of investigations into financial and management irregularities at Metra, the commuter rail agency of northeastern Illinois, legislators introduced Senate Bill 3965 in November, 2010. The bill placed not only Metra, but the region's other transit agencies (the Chicago Transit Authority, Pace and the Regional Transportation Authority) under the jurisdiction of the OEIG.

On November 17, 2010 and January 3, 2011, Executive Inspector General Ricardo Meza testified before an Illinois Senate transportation committee and an Illinois House transportation committee, respectively, in support of the bill. The Senate approved the bill November 17, 2010 and the House approved its version January 5, 2011. The Senate approved the House's version on January 6, and sent the measure to the governor on January 18. The governor signed the bill on February 14, 2011, thus enacting Public Act 96-1528.

The law adds approximately 15,000 employees to the OEIG's jurisdiction.

tion and gives the OEIG purview over not only misconduct and Ethics Act investigations, but makes the agency responsible for administering ethics training to the transit agencies' employees.

In preparation the for law's effective date of July 1, 2011, the OEIG sent requests to each transit agency on February 14, 2011 for documents and policies and procedures. On June 6, 2011, EIG Meza notified Metra that as of the law's effective date, the OEIG would accept and review all future complaints regarding Metra and would assume investigative duties for any investigations open as of that date under Metra's interim inspector general, the private firm Hillard Heintze, LLC.

Public Act 96-1346 (Senate Bill 3815)

On July 27, 2010, the governor signed Senate Bill 3815 into law. The act created a 17-member task force on public benefits fraud and named the Executive Inspector General or his designee as one of the 17 members.

Public Act 96-1533 (House Bill 1410)

On March 4, 2011, the governor signed House Bill 1410 into law. The act amended Section 1-5 of the Ethics Act to authorize the Executive Ethics Commission to create regulations further defining the value of gifts that are prohibited under Section 10-10 of the Ethics Act.

Public Act 97-13 (Senate Bill 1344)

On June 16, 2011, the governor signed Senate Bill 1344 into law. The act expanded the Section 5-20 of the Ethics Act, which prohibits the use of the name of any executive branch constitutional officer or General Assembly member in public service announcements or advertisements for state programs. The act widened the ban to include the use of names on billboards and electronic message boards.

EXHIBIT 7(v)

OEIG Newsletter



Illinois Ethics Matters

December 19, 2013

www.inspectorgeneral.illinois.gov

Honesty, Integrity, Service

A newsletter from the Office of Executive Inspector General for the Agencies
of the Illinois Governor

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Recent News

On November 22, 2013, an OEIG investigative report was publicly disclosed:

- **In re: Mark Montgomery**, 11-02060, involved an IDOC employee who violated IDOC Administrative Directives. Mr. Montgomery resigned in lieu of discharge.

In other news, the OEIG is pleased to announce three new employees:

- **Grant Anderson** will serve as an assistant inspector general and **Joshua Hughes** will serve as an investigator in the Springfield Division.
- **Joshua Grant** will serve as an assistant inspector general in the Chicago Division.

Ethics Officer Statements Required for Employee Revolving Door Notifications



Fotosearch

Last year, we advised our readers that the Executive Ethics Commission adopted new administrative rules regarding state employee obligations to notify the OEIG of offers of post-state employment subject to the Ethics Act's Revolving Door provisions. Among these new rules is a requirement for affected employees to include with their notices to the OEIG, statements from their respective ethics officers. The ethics officer statement must set forth, in primary part:

- contracts between the employing agency and prospective employer, and if any, the amounts;
- regulatory or licensing decisions made by the employing agency that applied to the prospective employer; and
- whether the employee was involved in any contracting, regulatory, or licensing decision regarding the prospective employer and if so, a description of the involvement.

The rules also provide that the statement from the ethics officer "must be submitted to the appropriate Executive Inspector General within 5 calendar days after receiving notification from the employee."

The OEIG has 10 calendar days from receipt of the employee's notification, **which must include the ethics officer's statement**, to issue a determination as to whether the employee can accept the prospective employment. Affected employees who fail to provide the required notice are subject to fines under the Ethics Act.

The OEIG is in the process of updating its revolving door forms. Copies of current forms, including the Ethics Officer Form (RD-102), and instructions may be found on the OEIG's website.

Erin Bonales
Deputy Inspector General &
Chief of Chicago Division

Lawmakers Are Exempt from Executive Branch Ethics Training

This is a reminder that in 2009, Illinois lawmakers amended the Ethics Act to, among other things, exempt themselves from the requirement to complete ethics training required of other members of executive branch boards.

Thus, lawmakers who serve on a state board under the jurisdiction of the OEIG are under no obligation to undergo the ethics training that is required of the board's other members.

Ethics officers under the jurisdiction of the OEIG may contact Legislative Inspector General Thomas Homer if they have questions regarding this matter.

David Keahl
Deputy Chief of Staff
& Director of Ethics
Training &
Compliance