

**TODD H. STROGER**

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**PATRICK M. BLANCHARD**  
INSPECTOR GENERAL

69 West Washington  
Suite 1160  
Chicago, Illinois 60602  
TEL (312) 603-0350  
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July 19, 2010

Honorable Todd H. Stroger  
and Members of the Board of Commissioners  
of Cook County  
118 North Clark Street  
Chicago, Illinois 60602

Re: Statement of Economic Interest – Compliance Review (IIG10-0047)

Dear President Stroger and Commissioners:

This letter is written in accordance with Section 2-289(c)(2) of the Independent Inspector General Ordinance, Cook County Ill., Ordinances No. 07-O-52 (2007) (the “Ordinance”) relative to a compliance review conducted in relation to Cook County employees who have failed to comply with the Illinois Governmental Ethics Act, 5 ILCS 420/1-101 *et seq.* (2005) (the “Ethics Act”). The Ethics Act required certain Cook County employees to file a Statement of Economic Interest (“SEI”) with the County Clerk’s Office by May 3, 2010. In accordance with the Ordinance, this statement is made to apprise you of the completion and results of this review.

### Summary

Cook County government identified 2,589 employees who were required to file a SEI this year disclosing any economic interest they may have with Cook County government (e.g., contracts, income, gifts, etc. from an entity doing business with Cook County) pursuant to the Ethics Act.<sup>1</sup> On May 10, 2010, the OIIG along with the Cook County Clerk’s Office determined that 183 employees of Cook County government failed to file their SEI by the statutory deadline of May 3, 2010. The OIIG and the Clerk’s Office subsequently issued notifications and reminders to each of the identified employees. As a result of this effort, the number of non-filers has been reduced to 12 Cook County government employees who have not yet filed a SEI. The OIIG has initiated an investigation and will make an appropriate recommendation in consideration of the factual basis surrounding each case of non-compliance with the Ethics Act.

<sup>1</sup> See 5 ILCS 420/4A-102.



### **OIIG Findings and Conclusions**

In January, 2010, the Cook County Clerk's Ethics and Campaign Disclosure Division (the "Ethics Division") notified the OIIG that there were Cook County government employees who failed to file a SEI pursuant to the Ethics Act for the 2009 filing period. In anticipation of the 2010 filing period, the OIIG and Clerk's Office jointly undertook this effort to identify employees obligated to file a SEI. Following the 2010 filing deadline, both the OIIG and Clerk's Office issued notices to employees who failed to file a SEI of their obligation to comply with the Ethics Act.<sup>2</sup> Despite repeated attempts by the OIIG and Ethics Division to inform them of non-compliance and prompt employees to comply, 12 employees of Cook County government remain in non-compliance for the 2010 filing period.

#### ***Illinois Statutory Obligation and Notification Process***

The Ethics Act requires certain government employees to annually file a SEI.<sup>3</sup> The SEI discloses economic interests that these government employees have with Cook County government. Among other things, the SEI requires employees to disclose ownership or membership in a business, organization, or entity that does business with Cook County government and disclose related income, capital gains achieved as well as certain gifts.<sup>4</sup>

The Ethics Act sets statutory deadlines to file a SEI and imposes penalties for the failure to file a SEI. Specifically, individuals are required to file a SEI by May 1<sup>st</sup> of each year. In cases where they fail to file by such date, the Clerk's Office is required to send a reminder by certified mail. This notification instructs the employee to file, along with a \$15 late filing fee, on or before May 15<sup>th</sup>. Additionally, the Ethics Act specifically states that any person who fails to file by May 15<sup>th</sup> shall be subject to a penalty of \$100 for each day from May 16<sup>th</sup> to the date of filing. Moreover, the failure to file by May 31<sup>st</sup> could result in a forfeiture of employment.

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<sup>2</sup> See 5 ILCS 420/1-101.

<sup>3</sup> According to the Ethics Act, the obligation to file a SEI extends to Cook County employees who function as the head of a department, division, bureau, or authority within Cook County. Additionally, any Cook County employee who exercises similar authority within a unit of Cook County government is also obligated to file a SEI. See §5 ILCS 420/4A-101(i).

<sup>4</sup> See §5 ILCS 420/4A-102(c), and the attached blank Statement of Economic Interest.

According to the Ethics Act, Cook County government employees are required to file a SEI with the County Clerk.<sup>5</sup> The Ethics Division performs an annual notification process that includes providing filing instructions and a SEI form to all employees who are required to file. When an employee fails to timely file a SEI, the Clerk's Office will issue reminders to the delinquent employees as outlined above.

In addition to the Clerk's customary process, on May 10, 2010, the OIIG reviewed the list of non-filers and issued notification letters to 183 Cook County government employees of their status of non-compliance with the Ethics Act.<sup>6</sup> The OIIG's and Ethics Division's notifications and reminders reduced the number of non-filers to 12 Cook County government employees. These employees hold positions in 8 different Cook County Departments.<sup>7</sup> The OIIG has initiated investigations of the Cook County employees who are obligated to file a SEI, but have not met their statutory obligation. Finally, please note that this office will conduct annual reviews to identify any Cook County employees who fail to comply with the Ethics Act.

During the course of our review, the following observations were noted:

- The list identifying 183 employees who failed to file revealed numerous repeat offenders who had also failed to file their SEI in prior years.
- Many employees fail to maintain a current address on file with Cook County that has resulted in their not receiving a SEI or delinquency notification.
- Cook County government has failed to impose disciplinary action when employees fail to file their SEI.
- Some employees have refused to accept notifications of their obligation to file a SEI sent certified mail or have failed to pick up these notifications from their local post office.<sup>8</sup>

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<sup>5</sup> See §5 ILCS 420/4A-106.

<sup>6</sup> Numerous departments under the Office of the President and the offices of the independently elected officials within Cook County government had employees listed on the May 10, 2010 list of non-filers.

<sup>7</sup> The offices having non-compliant employees include a Cook County Commissioner, Juvenile Temporary Detention Center, Medical Examiner, Oak Forest Hospital, Public Defender, Recorder of Deeds, Sheriff and John H. Stroger, Jr. Hospital.

<sup>8</sup> The SEI is attached for your review.

**Recommendations**

The Ethics Act requires upper-level employees identified by Cook County government to file a SEI or be subject to statutory penalties including fines and forfeiture of position. In order to reduce the number of non-compliant employees in the future, we recommend that departments consider implementation of the following measures:

- Department heads should consider implementing appropriate procedures to ensure that all employees within their offices are aware of their obligations and have filed their SEI on a timely basis. This could include direct notification to the employee of their obligation to file and also require the employee to exhibit proof of compliance after filing has occurred;
- Department heads should implement appropriate disciplinary action when employees fail to meet the prescribed filing deadline;
- Department heads should review internal protocols to ensure that employees provide information when a change of address occurs.

I hope this information proves helpful. If you have any questions or would like to discuss this matter further, please do not hesitate to contact me. Thank you for your time and consideration to this issue.

Very truly yours,



Patrick M. Blanchard  
Inspector General

cc: Hon. Anita Alvarez  
Hon. Joseph Berrios  
Hon. Dorothy Brown  
Hon. Thomas Dart  
Mr. Earl Dunlap, Transitional Admin., Juvenile Temporary Detention Center  
Hon. Timothy Evans  
Ms. Laura Lechowicz Felicione, Special Assistant to the President  
Mr. William T. Foley, Chief Executive Officer, Health and Hospitals System  
Mr. Joseph Fratto, Chief of Staff  
Hon. Brendan F. Houlihan  
Hon. James M. Houlihan  
Hon. Eugene Moore  
Hon. David Orr  
Hon. Maria Pappas  
Hon. Larry R. Rodgers



**STATEMENT OF ECONOMIC INTERESTS  
TO BE FILED WITH THE COOK COUNTY CLERK**

(For Office Use)

**(TYPE OR HAND PRINT)**

\_\_\_\_\_  
(NAME)

\_\_\_\_\_  
(LIST EACH OFFICE OR POSITION OF EMPLOYMENT FOR WHICH THIS STATEMENT IS FILED)

\_\_\_\_\_  
(FULL MAILING ADDRESS)

**GENERAL DIRECTIONS**

The interest (if constructively controlled by the person making the statement) of a spouse or any other party, shall be considered to be the same as the interest of the person making the statement. Campaign receipts shall not be included in this statement. If additional space is needed, please attach supplemental listing. Separate filings for multiple LOCAL offices or positions of employment are not required. You must list the name of each LOCAL unit of government you are required to file for on the top portion of the statement. (Use blue or black ink only.)

1. List the name and instrument of ownership in any entity doing business with a unit of local government in relation to which the person is required to file, in which the ownership interest held by the person at the date of filing is in excess of \$5,000 fair market value or from which dividends in excess of \$1,200 were received during the preceding calendar year. (In the case of real estate, location thereof shall be listed by street address, or if none, then by legal description.) No time or demand deposit in a financial institution, nor any debt instrument shall be listed.

BUSINESS ENTITY	INSTRUMENT OF OWNERSHIP	POSITION OF MANAGEMENT
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. List the name, address and type of practice of any professional organization in which the person making the statement was an officer, director, associate, partner or proprietor or served in any advisory capacity, from which income in excess of \$1,200 was derived during the preceding calendar year.

NAME	ADDRESS	TYPE OF PRACTICE
_____	_____	_____
_____	_____	_____

3. List the nature of professional services rendered (other than to the unit or units of local government in relation to which the person is required to file) and the nature of the entity to which they were rendered if fees exceeding \$5,000 were received during the preceding calendar year from the entity for professional services rendered by the person making the statement. ("Professional services" means services rendered in the practice of law, accounting, engineering, medicine, architecture, dentistry, or clinical psychology.)

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4. List the identity (including the address or legal description of real estate) of any capital asset from which a capital gain of \$5,000 or more was realized during the preceding calendar year.

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5. List the name of any entity and the nature of the governmental action requested by any entity which has applied to a unit of local government in relation to which the person must file for any license, franchise or permit for annexation, zoning or rezoning of real estate during the preceding calendar year if the ownership interest of the person filing is in excess of \$5,000 fair market value at the time of filing or if income or dividends in excess of \$1,200 were received by the person filing from the entity during the preceding calendar year.

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6. List the name of any entity doing business with a unit of local government in relation to which the person is required to file from which income in excess of \$1,200 was derived during the preceding calendar year other than for professional services and the title or description of any position held in that entity. No time or demand deposit in a financial institution nor any debt instrument need be listed.

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7. List the name of any unit of government which employed the person making the statement during the preceding calendar year other than the unit or units of government in relation to which the person is required to file.

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8. List the name of any entity from which a gift or gifts, or honorarium or honoraria, valued singly or in the aggregate in excess of \$500, was received during the preceding calendar year.

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**VERIFICATION**

"I declare that this statement of economic interests (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of my economic interests as required by the Illinois Governmental Ethics Act. I understand that the penalty for willfully filing a false or incomplete statement shall be a fine not to exceed \$1,000 or imprisonment in a penal institution other than the penitentiary not to exceed one year, or both fine and imprisonment."

Sign Here →

(SIGNATURE OF PERSON MAKING THE STATEMENT BLUE OR BLACK INK ONLY)

(DATE)



## Office of Cook County Clerk David Orr Ethics Department

69 W. Washington, Suite 500 Chicago, IL 60602  
[www.cookctyclerk.com](http://www.cookctyclerk.com) (312) 603-1121

The Statement of Economic Interest can be mailed or hand-delivered to the Cook County Clerk's office:

Mailing address

David Orr, Cook County Clerk  
69 W. Washington St., Suite 500  
Chicago, IL 60602

In-person delivery

69 W. Washington St. Suite 500  
Chicago, IL 60602  
Monday-Friday 8:30 a.m to 5 p.m.

The Statement of Economic Interest can also be hand-delivered to any of the Clerk's suburban branch offices:

**Bridgeview**

10220 S. 76<sup>th</sup> Ave., Room 238  
Call for hours: (708) 974-6150

**Rolling Meadows**

2121 Euclid, Room 238  
Call for hours: (847) 818-2850

**Markham**

16501 S. Kedzie Ave., Room 238  
Call for hours: (708) 210-4150

**Skokie**

5600 W. Old Orchard Road, Room 149  
Call for hours: (847) 470-7233

**Maywood**

1311 Maybrook Square, Room 109  
Call for hours: (708) 865-6010

All questions regarding the Statements of Economic Interest should be directed to Phillis Laster at (312) 603-1121.