

SUBCHAPTER f: GENERAL ADMINISTRATION  
PROCEDURES 437, DEPARTMENT OF CHILDREN  
AND FAMILY SERVICES EMPLOYEE  
CONFLICT OF INTEREST  
September 24, 1982

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Section 437.1	Purpose
Section 437.2	Definitions
Section 437.3	Department Statutory Responsibilities
Section 437.4	Prohibition of Employee Interests Which May Influence the Department's Statutory Duties
Section 437.5	Prohibition of Employee Interests Which May Influence the Department's Grant or Purchase of Service Programs
Section 437.6	Prohibitions Under the Illinois Purchasing Act
Section 437.7	Requirements of the Governmental Ethics Act
Section 437.8	Violations of Part 437

437.1 Purpose

The purpose of the rules on DCFS Employee Conflict of Interest is to eliminate actual and apparent conflict of interest arising from a Department employee's connection with any regulated or provider facility or agency, or one holding a license to operate a child care facility regulated by the Department, except where exempted. The rules should not be interpreted in such a manner as to discourage employees from volunteering their own time to agencies or organizations, when such activity does not influence the Department's statutory duties or contract and grant programs.

== 437.2 Definitions

== 437.3 Department Statutory Responsibilities

437.4 Prohibition of Employee Interests Which May Influence the Department's Statutory Duties

These procedures describe how the rule prohibiting employee conflict of interest is to be enforced.

Employees of the Department shall familiarize themselves with the contents of part 437, which has been made available to all Department offices and sites through the Policy Control System.

Employees shall describe in writing any of their affiliations or connections which appear to violate the prohibitions contained in part 437. Such statements of possible conflict shall be forwarded to the Regional or Divisional Administrator and to the Office of Internal Audits.

If the employee is unsure whether a particular affiliation or connection is in compliance with the rules, the employee and the Department administrator should contact the Office of Internal Audits.

The Office of Internal Audits, after studying the circumstances, should by a written opinion decide whether the employee is in violation of the prohibitions contained in part 437. In its assessment of potential conflict of interest situations, the Office of Internal Audits may, if necessary, consult with other Department sections or units, when their responsibilities and functions have a bearing on the situation. For example, the Office of Contracts and Grants may be able to better clarify a situation that involves an individual who might have an influence on Department purchase of service. Likewise, the Division of Child Protection should be consulted involving employees whose job duties would have an influence on the Department's licensing authority. In ambiguous situations, Department Legal Staff should also be consulted.

The opinion of the Office of Internal Audits shall be sent to the employee and the appropriate Administrator. The opinion shall be retained in the employee's personnel file.

If in the opinion of the Office of Internal Audits a conflict exists, the employee shall resolve the conflict within a reasonable time, not to exceed six months, or the employee may request an exemption, if the situation is one which is covered by the Purchasing Act. See Section 437.6. If the conflict is not resolved nor an exemption granted, the employee may be subject to the penalties described in rule Section 437.8a.

// Honoraria

Honoraria is defined as payment to a professional person for services on which no fee is set or legally attainable. For Department purposes these services include speeches, participation on panels, and written materials such as papers prepared for presentation at symposiums, conferences, etc.

Token gifts such as scarfs, ties, pens or meals are not considered honoraria and may be accepted pursuant to conditions set out in these procedures. Travel expenses paid by the sponsor are not considered honoraria.

Department employees may not accept honoraria:

- o when they are speaking/writing as representatives of the Department; and,
- o when the speaking engagement or writing engagement occurs on State time; and,
- o when travel and related expenses are paid by the state.

Approval by an employee's supervisor is required before accepting a major public speaking or writing engagement relating to the Department. If an employee anticipates that the news media will be present, that employee shall advise the Office of Communications/Community Relations.

Routine speeches to local community groups (service clubs, PTA's) and presentations made to Councils, Boards or Committees by Department staff acting in their official capacity as Department representatives, and as part of their duties are subject to supervisory approval. When making a speech in which the speaker's ideas or opinions differ from Department policy or practice, the speaker is responsible for informing his audience that such information is his or her own and is not being delivered under the auspices of the Department. Department staff are encouraged to consult with the Office of Communications/Community Relations prior to a major public speaking engagement for the purpose of acquiring additional assistance, if needed, in preparation for the speech or paper.

#### 437.5 Prohibition of Employee Interests Which May Influence the Department's Grant or Purchase of Service Programs

The same procedures as described above in Section 437.4 shall be followed for determining whether the interests of an employee create a conflict with the Department's grant or purchase of service programs. If any of the conditions described in paragraphs a), b), c) or d) of rule Section 437.5 appear to exist, the Office of Internal Audits is to be notified.

#### 437.6 Prohibitions Under the Illinois Purchasing Act

Implementation of this section is handled by the procedures described above in Section 437.4 and 437.5.

#### Exemption

Although an employee may request an exemption under the Purchasing Act by directing the request to the Governor's Office directly, such requests are ordinarily processed through an employee's agency or Department. It is reasonable to assume that the Governor would first solicit the Department's analysis of the circumstances and opinion as to whether an exemption is justified before making a decision to grant or deny an employee's request for an exemption. Therefore, in order to facilitate the exemption process, the employee may forward the request to the Office of Internal Audits. Internal Audits with the assistance of the Office of Contracts and Grants, which has responsibility for ensuring that all Department grants and contracts meet statutory requirements, including the provisions of the Purchasing Act, will then initiate the procedures for requesting the exemptions from the Governor's Office.

#### // 437.7 Requirements of the Governmental Ethics Act

The Illinois Governmental Ethics Act is administered by the Secretary of State. Each year the Secretary of State forwards a disclosure form to state employees (except teachers) who are compensated at a rate of \$35,000 per year or more. The Statement of Economic Interest must be completed and returned to the Secretary of State no later than April 30 of each year.

Compliance within DCFS is monitored by the Office of Internal Audits. Individuals who file a false or incomplete statement shall be guilty of a

- // Class A misdemeanor. A \$15.00 late filing fee is imposed on persons who have failed to file by May 1st. Persons who have failed to file by May 15 are subject to a \$100.00 per day penalty in addition to the \$15.00 late filing fee. Failure to file by May 31st shall result in forfeiture of office or position of employment.

In addition to the requirements of the Governmental Ethics Act, certain employees in critical government positions are required to file a statement of a personal economic disclosure. Said requirements fall under Executive Order #3 (1977), "Personal Economic Disclosure." Staff included under Executive Order #3 are persons who are: appointed by the Governor; approve and certify vouchers; issuance of contracts; licensing; financial inspection of regulated private entities; staff in policy making positions; or such other responsibilities determined to have a potential conflict of interest.

The Office of Internal Audits administers the requirements of the Executive Order #3. Each employee subject to the Order is contacted by memorandum instructing them to complete the attached Statement of Economic Interest and return it to the State Board of Ethics no later than April 30 of each year. The Office of Internal Audits also monitors compliance with the Order. Failure to file in a timely manner, or the willful making of a false, misleading or incomplete statement and the failure to cooperate with the State Board of Ethics shall be grounds for disciplinary action, including dismissal.

#### 437.8 Violations of Part 437

Any third party complaints or allegations of employee conflict of interest are to be referred to the Office of Internal Security. Such complaints or allegations are handled in accordance with procedures for Part 331, Unusual Incidents Involving Department Clients, Employees and Facilities.