

Campaign Donor Covered Salary For Congressman's Niece

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As congressional investigators dug into the finances of U.S. Rep. Bobby Rush last year, they discovered a highly unusual arrangement involving the politician's niece, Rush's church and a man later identified as a political donor pulling in millions of dollars a year as a vendor for Midway Airport.

The niece, Angelique Chatman, was working nearly full time as an office manager for a South Side church run by her uncle, who is a minister as well as a congressman. Yet the woman told investigators she received no salary from the church. Turns out Chatman was paid by a business owned by long-time Rush friend and campaign donor Timothy Rand, a Better Government Association investigation found.

The hiring arrangement raises more ethical questions about Rush, an Illinois Democrat who already has been investigated by Congress as a result of a series of Chicago Sun-Times/BGA stories about his fundraising and political activities. In fact, this latest finding may violate U.S. House ethics rules and justify a deeper examination of Rush from the Office of Congressional Ethics.



"It raises enough questions that it needs to be looked into," said former U.S. Rep. Joel Hefley, a Colorado Republican who chaired the House Ethics Committee in the early 2000s. "You have to be very, very careful about favors you accept."

The story of Rush, his niece and Rand unfolds like this:

In 2011, Chatman began working as an office manager at Beloved Community Christian Church, the congregation at 6430 S. Harvard founded and still run by Rush. In a transcript of an interview with investigators from the Office of Congressional Ethics, Chatman said she worked almost full time for Beloved but received no compensation from the church.

Rather, the BGA found she was paid by Rand, whose company operates restaurants at Midway Airport, including Harry Caray's and Manny's Deli, under a contract with the City of Chicago, which owns and operates the airfield. Rand's business reported sales of more than \$30 million in the city's 2014 fiscal year, an airport spokesman said.



Chatman's annual salary total is unclear, but no matter the amount U.S. House members aren't supposed to accept or solicit favors or gifts under federal rules. There are exceptions when it comes to charities, but the lawmakers still aren't allowed to personally benefit from gifts. If a representative's personal charity benefits, he or she must get prior written permission from the U.S. House Ethics Committee before making a solicitation.

There's no evidence that Rush received such permission. What's more, any subsidy to the church could potentially benefit Rush because it cuts down on the congregation's debt load that prompted lawsuits for unpaid mortgage and electric bills – lawsuits that personally named Rush as a defendant.

Rush refused to answer questions for this story.

"This is nothing more than a widespread scandalous, scurrilous witch-hunt," he said. "I will not participate in it in any form, whatsoever. I have always lived up to the best of my abilities to the high standards of the Ethics Committee. That's it."

[In a written statement](#), Rand confirms that Chatman has been on the payroll of Midway Airport Concessionaires since 2011. Rand spokesman Grayson Mitchell says Chatman was not paid for work at the church, and that Chatman's job at the company entails visiting the airport to monitor employees and handle payroll records.

However, the Chicago Department of Aviation, which operates Midway Airport, said there's no indication Chatman ever had a security badge allowing her access past a security checkpoint to the concessions area.

Chatman would not comment. A visit to the church in August found doors locked, windows broken and a sign indicating services are now held at another building.

Congressional investigators asked Rush last year how his niece is paid for her work at Beloved. According to a transcript of the interview, Rush declined to give details, saying the source of her paycheck was "her private information."

When she was interviewed last year by the investigators, Chatman said she worked at the church – and nowhere else – but wasn't paid by Beloved. She wouldn't answer follow-up questions about the source of her income. As a result, the investigators considered her a "non-cooperating witness."

Rush's attorney, Scott Thomas, followed up in a letter to ethics investigators, saying Chatman was paid by a Chicago-area "food distribution company" that allowed her to spend her work hours assisting Beloved.

Thomas didn't name the company or its owner, but indicated in the letter that the

owner once sought Rush's assistance on a "matter of local regulation of minority businesses." Thomas described the owner as a "longtime supporter" of the church and a "personal friend of Rep. Rush."

An excerpt from the letter to congressional investigators:

The situation regarding Angelique Chatman involves, essentially, an arrangement for the last four years or so by a longtime supporter of BCCC whereby she is employed by that supporter's company from the Chicago area (a food distribution company), and that company voluntarily allows her to spend her work hours assisting the BCCC. As far as Rep. Rush knows, the company in question does not have any interest in matters that have come before Rep. Rush's congressional committees. While Rep. Rush vaguely recalls the owner of the company at one point asking for assistance on a matter of local regulation of minority businesses, Rep. Rush recalls absolutely no linkage, direct or indirect, express or implied, with the compensation arrangement involving Angelique. Rep. Rush recalls that the above-noted request for assistance predated the arrangement with Angelique by many years, and notes that the individual involved has been a longtime supporter of BCCC and a personal friend of Rep. Rush and his family going back many years before the arrangement with Angelique.

The BGA determined through interviews, court documents and other records that the businessman is Rand.

As for any help that Rand requested from Rush, Thomas may have been referring to the Federal Aviation Administration's decision a decade ago to tighten the definition of "disadvantaged" businesses. The FAA, which regulates the nation's airports, decided the net worth of a company owner could not exceed \$750,000 for the business to qualify as "disadvantaged."

That designation is aimed at diversifying government contracting at airports. It can give minority- and woman-owned businesses a leg up in the bidding process as the city tries to meet minority-contracting goals set by the federal government.

Rand's parent company held that designation in 2005 when the Sun-Times reported that he was worth an estimated \$20 million – putting his concession deal at Midway in jeopardy.

The city ultimately decided Rand could keep the concession contract because he secured it under old rules in 2000. The contract expired at the end of 2014, and he's held it ever since on a month-to-month basis, though a new bidding process is expected before the end of 2015.

Neither Rush nor Rand would say whether Rush intervened with the city or the

FAA – funded by Congress – to help Rand deal with the FAA rule change.

Rand said in the statement that the “hiring of Ms. Chatman did not come at the congressman’s personal request or influence” and that Rand doesn’t “recall having ever called upon the congressman’s office for assistance in any matters concerning my company.”

Thomas wouldn’t answer questions posed by a reporter, but his law firm released a statement on his behalf lauding Rush as “a caring advocate for his community” and someone who “seeks to comply at all times with applicable ethics rules.”

Depending on how Chatman’s salary was reported on Rand’s company’s tax returns to the federal government, Rand’s firm could face scrutiny from the IRS, said Dennis Czurylo, a former IRS special agent and now a forensic accountant.

“They should not be deducting an employee who is completely furnishing services for another entity,” Czurylo said. “It could be a civil tax problem.”

Briefed on the latest findings, city officials said it doesn’t appear the arrangement between Chatman and Rand’s firm violated the city lease agreement or city rules. The city is paid a percentage of sales from Rand’s Midway concessions, a figure that totaled \$4.5 million in fiscal 2014 from more than a dozen food and drink businesses.

Rand’s concessions experience was cited in June when Gov. Bruce Rauner named Rand to the Illinois Sports Facilities Authority, a public agency.

Since the late 1990s, Rand and Midway Airport Concessionaires donated more than \$760,000 to state and local politicians, according to the Illinois State Board of Elections. Rand contributed more than \$20,000 to federal politicians, records show.

Rush received \$3,000 from Rand over the years.

Rand’s daughter – who has worked for the airport concessions firm – donated \$2,500 to Mayor Rahm Emanuel this year. The mayor has vowed not to take campaign money from city contractors, though he does accept donations from employees of those contracting firms. Emanuel’s administration will decide

whether Rand's company keeps a concession deal at Midway.

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