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Suite 500
740 North Sedgwick Street
Chicago, Illinois 60610
(312) 744-9660
(312) 744-2793 (FAX)
(312) 744-5996 (TTY)

<http://www.ci.chi.il.us>

CONFIDENTIAL

JHM

January 26, 2001

[John Smith]
Commissioner, Department of [X]

Chicago, IL 606

Re: Case No. 01002.Q
Request Concerning [Company N] Travel

Dear Commissioner [Smith]:

On January 22, 2001, you asked whether the City's Governmental Ethics Ordinance prohibits your department from accepting expenses, including airfare, food and lodging, for two of its employees to travel to the manufacturing facilities in [XXXXXX] of [Company N], a departmental vendor. Board staff's opinion, based on the facts you and your department presented and on prior cases, is that the Ordinance does not prohibit acceptance of the offer from [Company N] to pay these expenses.

As you explained to Board staff, by phone on January 22 and by a memorandum from Deputy Commissioner [James Jones] you faxed to us on January 24, two departmental employees, Mr. [Jones] and [John Doe], [Chief Engineer], were invited by [Company N] to tour its [] manufacturing facilities. They will depart the morning of January 29 and return the evening of January 30. Airfare is \$622 per person, and food and lodging is estimated to be approximately \$100 per person. According to the information you and Mr. [Doe] provided, [Company N] is a manufacturer of [material] used for [a City process], and is one of the department's two [material] suppliers. (You explained that the other supplier's product is a different type of [material], from a different part of the country.) The ability of both companies to supply enough [material] during peak usage periods has always been a departmental concern, and, you explained, became a larger concern after [Company N] had a fire in its facility recently. An extension of [Company N's] contract is upcoming, you said, and the City will likely agree to the extension, as it has no real alternatives. However, you also stated, the tour would provide critical technical information concerning [Company N's] manufacturing capabilities, laboratory, quality control and handling procedures. Moreover, you affirmed that the department views this tour as important enough that it would itself send these two employees at



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departmental expense if unable to accept the offer, and that past tours of the facilities of other major treatment chemical suppliers have proven very beneficial to the department.

Based on these facts, and on previous cases, Board staff concludes that nothing in the Ordinance prohibits the [X] Department from accepting this offer by [Company N], so long as (as it appears) the expenses to be accepted are reasonable and reasonably related to the purposes of the tour, serve to benefit the City rather than the two employees personally, and are not offered in exchange for the employees' willingness to influence City decisions concerning [Company N]. See Case Nos. 98039.Q; 98040.Q; 97014.Q. Staff also reminds you that §2-156-040(c) of the Ordinance prohibits any employees whose City decisions can substantially affect [Company N's] City business from accepting any gift or item valued at \$50 or more from the company (this prohibition does not include the travel expenses listed above).

Staff's conclusion is based solely on the application of the City's Governmental Ethics Ordinance to facts presented; other laws, rules, regulations or policies may apply to this situation. If any of the facts in this letter are incomplete or inaccurate, please inform us, as any change could alter the conclusion.

We sincerely appreciate the department's sensitivity to the standards contained in the Governmental Ethics Ordinance, and its willingness to comply with them. Please contact us if you have any further questions.

Yours very truly,

Steven I. Berlin
Deputy Director

Approved:

Dorothy J. Eng,
Executive Director