

MEM



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Suite 530  
205 West Randolph Street  
Chicago, Illinois 60606  
(312) 744-9660

January 23, 1991

CONFIDENTIAL

Re: 90074.Q

Dear INDIVIDUAL A

You submitted a request to the Board of Ethics asking if, under the Governmental Ethics Ordinance, INDIVIDUAL B and another City employee can be invited to and attend the Professional-Amateur ("Pro-Am") outing of the CORPORATION X'S SPORTING EVENT.

Based on the facts presented, it has been determined that CORPORATION X'S invitation to INDIVIDUAL B and another City employee to attend the Pro Am is allowable under the gift provision of the Ordinance. However, unless the proposed gift package (which is valued in excess of \$2,000.00) is presented as a gift to the City, we recommend you refrain from offering the gift package to INDIVIDUAL B or any other City official or employee.

You explained that the SPORTING EVENT is a PRESTIGIOUS EVENT.

In 1991, the tournament will be held at LOCATION Q on A GIVEN DATE. The "Pro-Am" will be held on A GIVEN DATE during which many guests will be invited to play with the professionals. These guests include various elected officials and representatives of government agencies from VARIOUS STATES.

(You explained that THESE STATES are the states serviced by CORPORATION X ) You would like to invite INDIVIDUAL B along with another City employee to participate in the Pro-Am, but do not want to violate the Governmental Ethics Ordinance.

The Pro-Am will span two days and will include the competition, three



dinners (to which spouses are invited), breakfast and lunch , hotel rooms, an awards banquet at which time awards will be presented, and a gift package for all participants and their spouses. The gift package will include clothing and sporting equipment . You estimated the gift package to be worth approximately \$2,000.00.

You explained that CORPORATION X AND A SUBSIDIARY transact business with the City.

Under §2-156-040(d) (prior code §26.2-4(d)) of the Ethics Ordinance and previous Board decisions, City officials and employees are explicitly permitted to accept reasonable hosting expenses, including travel and entertainment furnished by a sponsor in connection with a public event, so long as the offer is not "based upon any mutual understanding, either explicit or implicit, that the votes, official actions, decisions or judgments of any official [or] employee . . . would be influenced thereby." The Board has interpreted this subsection to apply to a City employee who will be performing City duties during the event, as well as to a City employee who is attending the event in an official capacity. See Case No. 87120.A. With no evidence that could confirm any such understanding, we concluded you may extend your invitation to attend the SPORTING EVENT.

Because CORPORATION X does business with the City and the proposed gift package has a value in excess of \$2,000.00, our recommendation is that you should refrain from offering it to any City officials, employees, or their spouses. We say this based on §§2-156-040(b) and (c) (prior code §§26.2-4(b) and (c)) of the Governmental Ethics Ordinance, which read as follows:

**Section 2-156-040(b):** No person shall give or offer to give to any official, employee or City Contractor, or the spouse or minor child of either of them, and none of them shall accept, anything of value, including, but not limited to, a gift, favor or promise of future employment, based upon any mutual understanding, either explicit or implicit, that the votes, official actions, decisions or judgments of any official, employee or City Contractor, concerning the business of the City would be influenced thereby. It shall be presumed that a non-monetary gift having a value of less than \$50 does not involve such an understanding.

**Section 2-156-040(c):** No person who has an economic interest in a specific City business, service or regulatory transaction shall give, directly or

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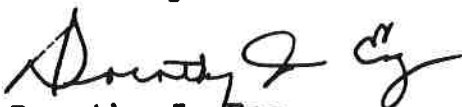
indirectly, to any City official or employee whose decision or action may substantially affect such transaction, or to the spouse or minor child of such official or employee, and none of them shall accept, any gift of (i) cash or its equivalent regardless of value, or (ii) an item or service other than an occasional one of nominal value (less than \$50) provided, however, nothing herein shall be construed to prohibit such person from accepting gifts from relatives.

Under these provisions, any gift of cash or any item or benefit worth \$50 or more, though not necessarily prohibited, is at least subject to review. Therefore, the Board of Ethics has adopted a policy of recommending that City employees and officials refrain from accepting any gift worth more than \$50.00. By following this recommended policy, City officials and employees will clearly avoid any real or potential violations of the Ordinance's gift provision, and in addition will prevent actions which might be interpreted by the public as unethical conduct.

Under this policy it would be inadvisable for you to offer the gift package unless it is offered as a gift to the City. Our determination and recommendations are based on the facts as stated in this letter. If these facts are incorrect or incomplete, please notify us immediately, as any change in the facts may alter our decision.

We appreciate your inquiry and your willingness to comply with the ethical standards embodied in the Ethics Ordinance. If you have any further questions regarding this matter or some related issue, please do not hesitate to contact us.

Sincerely,



Dorothy J. Eng  
Executive Director

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