



City of Chicago
Eugene Sawyer, Acting Mayor

March 22, 1988

Board of Ethics
Harriet McCullough
Executive Director

Sol Brandzel
Chair

Mary Milano
Vice Chair

Rev. Don Benedict
Margaret Carter
Angela Eames
Rev. A. Patterson Jackson
Marlene Rankin

Suite 1320
West Randolph Street
Chicago, Illinois 60606
(312) 744-9660

Case Number 88017.A

CONFIDENTIAL

Dear [REDACTED]

The Board of Ethics has reviewed your request for an advisory opinion to determine whether the Ethics Ordinance would prohibit you from submitting a proposal to Alderman [REDACTED] on behalf of an employee leasing company, [REDACTED] that you work for. Based on the information that you have provided, the Board of Ethics has determined that your employee leasing proposal does not violate any of the provisions of the Ethics Ordinance.

You have informed the Board that you are interested in negotiating a contract to lease employees to the City. These individuals would be classified as "vouchered employees" who fall under the jurisdiction of the Office of Budget and Management. You indicated that you are concerned about the propriety of the proposal because your husband [REDACTED] is employed by the City in [REDACTED] the Department [REDACTED]. You stated, however, that your husband (1) has no ownership interest in the company; (2) did not have any role in introducing you to Alderman [REDACTED] (3) will not in any way assist you in the proposal you plan to submit to Alderman [REDACTED] and (4) will not be involved with the leasing agreement that you negotiate with Alderman [REDACTED].

In its review of this case, the Board requested additional information concerning (1) your responsibilities as an employee of Co. [REDACTED] (2) whether Co. [REDACTED] had any pre-existing contracts; and (3) whether the anticipated employee leasing agreement would be in the form of a "no-bid" contract. In response to this request, in a letter of February



March 22, 1988

16, 1988, you stated that (a) you are an account executive with Co. and one of approximately 30 shareholders; and (b) Co. has entered into several contracts and currently employs 1,200 people nationwide. In a subsequent telephone conversation with the staff of the Board of Ethics, you stated that you were unable to predict the status of the contract at this point in the negotiations and that this was a matter that would be decided by the City at a later date.

ANALYSIS

Section 26.2-13(b) of the Ethics Ordinance prohibits City employees from exercising contract management authority where any relative of the employee is employed by persons doing City work over which the City employee exercises contract management authority. The "vouchered employees" who would be the subjects of the eventual contract between the City and Co. are not under the authority of your husband or the Department of Personnel. Thus, the Board finds that the anticipated contract does not violate Section 26.2-13(b) of the Ethics Ordinance.

The second provision of the Ethics Ordinance relevant to your case is Section 26.2-3 (Improper Influence). This section states that:

No official or employee shall... in any way attempt to use his position to influence any City governmental decision or action in which he knows or has reason to know that he has any economic interest distinguishable from its effect on the public generally.

"Economic interest," as defined in Section 26.2-1(h) and (k) of the Ethics Ordinance, is any interest capable of valuation in monetary terms except for an interest of a spouse of an employee of the City which is related to the spouse's independent occupation, profession or employment.^{1/} As your employment with Co. falls within this exempt category, Section 26.2-3 will not be violated by the proposed contract. Please note however, that your husband is prohibited from disclosing any non-public information to you while attempting to assist you with your proposal. (See Section 26.2-7, attached).

^{1/} See Section 26.2-1(k), attached, for entire list of exceptions.

Page Three

March 22, 1988

The Board of Ethics concludes that the submission of your employee leasing proposal to Alderman [redacted] and the award of any anticipated contract is permissible, so long as the above stated guidelines are followed. Should you have any questions, please do not hesitate to contact the Board at 744-9660.

Sincerely,



Mary L. Milano
Vice-Chair

MA/jh/[redacted]