

MEM



City of Chicago
Eugene Sawyer, Mayor

October 25, 1988

[REDACTED]

Board of Ethics
Harriet McCullough
Executive Director

Sol Brandzel
Chair

Mary Milano
Vice Chair

Margaret Carter
Angeles Eames
Rev. A. Patterson Jackson
Marlene O. Rankin

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

Case Number 88134.A

CONFIDENTIAL

Dear [REDACTED]

In a letter to you dated September 29, 1988 (enclosed), the Executive Director of our staff conveyed to your office, our tentative opinion concerning the gift provisions of the Ethics Ordinance and their potential application to your recent trip to another country.

In that opinion we state that, based on the information we received from your office (as summarized in our opinion letter of September 29), your acceptance of hosting and travel expenses from the City of R [REDACTED] and [REDACTED] Company B violated no provision of the Ethics Ordinance and that the Ordinance does not require written disclosure of your acceptance of these benefits. In that letter, we stressed that these conclusions were contingent on the specific circumstances described to us about your trip. We believe that your attendance at the game.

[REDACTED] as well as your participation in a number of public ceremonies and meetings with [REDACTED] officials represented opportunities for promoting trade and cultural relations between Chicago and [REDACTED] cities, and that therefore your participation in these events represented a legitimate use of your public office.

As discussed in our opinion letter, we believe that these and other circumstances of your trip meet the conditions, specified in Section 26.2-4(d)(iv) of the Ethics Ordinance, under which the acceptance of travel and reasonable hosting by City officials is acceptable. And, we have held in this case, that benefits such as reasonable hosting which are explicitly allowed under Section



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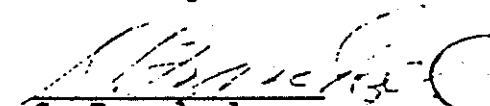
26.2-4(d) of the Ethics Ordinance are not subject to the disclosure requirement applicable to items accepted on behalf of the City. (This requirement is established in Section 26.2-4(f).)

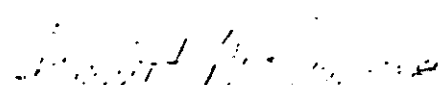
At its meeting on October 18, 1988, the Board formally approved these conclusions. In this letter of confirmation, we wish to emphasize two further points with respect to our opinion. First, the position we have reached concerns the status of your participation in the trip to [REDACTED] and does not extend to the status of other participants under the Ordinance. The present opinion makes no judgment with respect to the acceptance of benefits by other Chicago officials and employees.

Secondly, we believe that in cases where there is any question concerning the applicability of the Ordinance to certain travel arrangements, it would be desirable for your office to request an advisory opinion prior to the use or acceptance of these benefits. Although making such requests is not required by the Ordinance, such measures would provide you with guidance concerning the status of certain actions under the Ordinance.

We appreciate your inquiry and hope that we have sufficiently addressed your question concerning your participation in the trip to [REDACTED]. If you have further questions, please do not hesitate to contact us.

Sincerely,


S. Brandzel
Chairman


Harriet McCullough
Executive Director

JH/jh, [REDACTED]



Item B

88139.A MEH

City of Chicago
Eugene Sawyer, Mayor

September 29, 1988

Board of Ethics
Barriett McCullough
Executive Director

[REDACTED]

Al Brandzel
Chair

Dear [REDACTED]:

Mary Milano
Vice Chair
Margaret Carter
Angela Eames
Rev. A. Patterson Jackson
Marlene O. Rankin

Your office requested an advisory opinion to determine whether the Ethics Ordinance, Chapter 26.2 of the Municipal Code of Chicago, required disclosure of the travel and hosting you received to CITY R. [REDACTED]. Based on a review of the information we have received from your office concerning this trip, the Board of Ethics determined that your acceptance of reasonable travel and hosting would be acceptable under the Ethics Ordinance and that no requirement exists, within the language of the Ordinance, for disclosing this incidence of reasonable travel and hosting. However, we must emphasize that the Board restricts this conclusion to particular facts of the case and the relationship between the trip to CITY R [REDACTED] and your responsibilities as a representative of the City of Chicago.

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(312) 744-9660

In a telephone conversation with a member of the Ethics Board Staff your office stated that you and several other representatives of the City visited CITY R [REDACTED] as a guest of [REDACTED] Co. B [REDACTED] and CITY R [REDACTED]. Co. B [REDACTED] furnished all expenses for travel and CITY R [REDACTED] furnished accommodations and ground transportation during your visit.

1 CITY R [REDACTED] hosted several events for you, members of your delegation, and public officials in CITY R [REDACTED]. You were invited to make this trip and participate in these events in your capacity as [A CITY OFFICIAL] [REDACTED].

Section 26.2-4 of the Ethics Ordinance contains provisions which restrict the receipt of gifts and benefits by City employees and officials. The key provisions can be summarized as follows: Section 26.2-4(a) forbids the acceptance of anonymous gifts. Section 26.2-4(b) prohibits the acceptance of gifts or benefits of any kind if there is an



understanding between donor and recipient that such gifts will influence the latter's actions in City government. Section 26.2-4(c) prohibits City employees from accepting gifts from City contractors whose business agreements with the City might be substantially affected by the employee's governmental decisions. Section 26.2-4(f) allows City officials and employees to accept benefits on behalf of the City but requires that these be reported to the City's Board of Ethics and to the City Comptroller. Each of these restrictions would apply generally to the acceptance of "anything of value" including travel and hosting expenses. However Section 26.2-4(d) of the Ordinance explicitly allows certain benefits, such as reasonable travel and hosting related to City business, to be exempt from the restrictions of Section 26.2-4 except for those set forth in subsections (a) and (b) cited above.

Section 26.2-4(d) states (in part) that: "Except as prohibited in subsections (a) and (b), nothing in this Section 26.2-4 shall prohibit any person from giving or receiving: (i) an award publicly presented in recognition of public service; (ii) commercially reasonable loans made in the ordinary course of the lender's business; (iii) political contributions, provided they are reported to the extent required by law; (iv) reasonable hosting, including travel and expenses, entertainment, meals or refreshments furnished in connection with public events, appearances or ceremonies related to official City business, if furnished by the sponsor of such public event."

The Board interprets this proviso language (cited above) to mean that although awards, commercially reasonable loans, political contributions, and reasonable hosting, including travel, are subject to the restrictions set forth in subsections 26.2-4(a) and (b), they are not benefits which can be interpreted as "gifts" restricted under the remaining paragraphs and subsections of Section 26.2-4. Unless the types of benefits described in subsection (d) are contrary to the provisions of subsections (a) and (b), they are both allowable and are not subject to the disclosure requirement set forth in subsection (f), which concerns only gifts accepted on behalf of the City. However, to exclude hosting and travel from the "Gift" requirements it must meet the conditions outlined in Section 26.2-4(d)(iv):

- (1) the expenses are furnished in connection with a public event or ceremony;
- (2) the public event or ceremony is related to official City business;
- (3) the expenses are furnished by the sponsor of such public event; and
- (4) the expenses are reasonable.

The circumstances of the [REDACTED] trip, based on information your office gave us, appear to meet all of the conditions for acceptable hosting as outlined above. The expenses were furnished in connection with public events, insofar as the trip involved ceremonies with other public officials and members of the LOCATION R community aimed at developing relations and further promoting cultural relations between LOCATION R and Chicago. Secondly, these public events are directly related to your duties as A CITY OFFICIAL insofar as you are AN OFFICIAL REPRESENTATIVE [REDACTED] of the City of Chicago. Finally, the expenses which included travel and accommodations were furnished by the event sponsor and these expenses were "reasonable" in the sense that they did not exceed what was necessary to achieve the stated purpose of the trip.

As discussed above, reasonable hosting and travel by language of the Ordinance would be excluded from the category of gifts which are prohibited or which require disclosure. Therefore, based on the information you have provided us, the Board believes that it was permissible under the Ordinance for you to accept the travel and hosting benefits described here and that the acceptance of these gifts does not require written disclosure pursuant to section 26.2-4(d) of the Ordinance. However, the Board notes that public officials may not accept hosting and travel expenses unless benefits meet the conditions of "reasonable hosting" as enumerated above. Hosting and travel failing to meet the conditions would be interpreted as gifts with all the restrictions and requirements stated in Section 26.2-4. This opinion is issued pursuant to the policy regarding a request for immediate and emergency advisory opinions. The full Board will review this decision at the meeting scheduled October 18, 1988. Subsequent thereto, you will receive a letter regarding this matter from the Board Chairman, Sol Brandzel.

We appreciate this inquiry and would welcome any further requests for advisory opinions regarding the application of the Ethics Ordinance. If you have further questions concerning this matter, please contact the Board at 744-9660.

Sincerely,


Harriet McCullough
Executive Director