



Questions 4 and 5 of the 2001 Statement of Financial Interests seek to elicit the information required by Sec. 2-156-160 (b) of the Ordinance.

Question 4 asks:

**In 2000, did your spouse receive compensation in excess of \$5,000 for professional,\* business or other services rendered to a person\* doing business\* with the City of Chicago, the Chicago Transit Authority, Board of Education (including the Chicago School Reform Board of Trustees), Chicago Park District, Chicago City Colleges, or Metropolitan Pier and Exposition Authority?**

Question 5 on the Statement asks:

**In 2000, did any entity in which you or your spouse have a financial interest\* receive compensation in excess of \$5,000 for professional,\* business or other services rendered to a person\* doing business\* with the City of Chicago, the Chicago Transit Authority, Board of Education (including the Chicago School Reform Board of Trustees), Chicago Park District, Chicago City Colleges, or Metropolitan Pier and Exposition Authority?**

The first question which must be resolved is whether, by virtue of her position with the [Department 2 ], your wife is rendering services to a person, other than the City. In Case No. 99010.A, the Board addressed a similar issue, when it considered the question of whether the post-employment provisions of the Ordinance would prohibit a consulting contract between a former employee who had formed a corporation and her former Department. The Board determined that the Ordinance prohibited her corporation—for one year from the date of her retirement— from entering into a consulting agreement with her former department, noting that if the employee were to consult with the City in her capacity as an employee of her own professional services corporation, she would be assisting or representing a third party—the corporation. However, the Board also found that the Ordinance would not prohibit a direct services contract between the former employee and her former Department, because “...when no third party exists—that is, when the contract is directly between the former employee and the City...the employee “assists or represents” no one but himself and the City.” Case No. 99010.A. Under the facts you have presented, there is no third party: you have stated that your wife is an unincorporated sole practitioner who renders professional services directly to the City of Chicago, not through a law firm, professional corporation, or other entity.<sup>2</sup> Therefore, it is staff’s opinion that in your wife’s position as a [contract employee], she does not provide services to any “person” doing business with the City or its sister agencies, and that you are not required to disclose her position on Question 4 of the FIS form.

We next turn our attention to Question 5. Even if your wife were to receive compensation in excess of \$5,000 from the City for her services as [a contract employee ],

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<sup>2</sup>Sec. 2-156-160(b) explicitly excludes the City as a “person” doing business with the sister agencies.

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it is staff's

opinion that you would not be required to disclose such compensation because, according to the facts you have presented, she is an unincorporated sole practitioner, and all payments are issued directly to her in her name; that is, there exists no entity in which she has a financial interest to which the City issues payment.

Staff's opinion is not necessarily dispositive of all issues relevant to this situation, but is based solely on the application of the City's Governmental Ethics Ordinance to the facts stated in this opinion. If the facts stated are incorrect or incomplete, please notify us immediately, as any change may alter our opinion. Other laws or rules also may apply to this situation. Be advised that City departments have the authority to adopt and enforce rules of conduct that may be more restrictive than the limitations imposed by the Ethics Ordinance.

We appreciate your inquiry and your concern to abide by the standards embodied in the Ethics Ordinance. Further information, including the full text of the Ordinance, is available on our web site at <http://www.ci.chi.il.us/Ethics/>. If you have any further questions, please do not hesitate to contact us.

Very truly yours,

[Signature ]

John H. Mathews  
Attorney/Investigator

Approved by:

[Signature ]

Dorothy J. Eng  
Executive Director

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