



Under changes to Illinois state law effective May 30, 1995, the Chicago Board of Education was succeeded by the "Chicago School Reform Board of Trustees."

You are both employees of the Department. You said that the company you co-own, [redacted], has entered into contracts with the School Board to provide [redacted] services at various school facilities, and that the School Board will pay your company according to the terms of these contracts. The School Board is established by the Illinois General Assembly under the Illinois School Code, 105 ILCS 5/34-1 et seq., as was its predecessor, the Chicago Board of Education. That code establishes the

Section 2-156-110 of the Ethics Ordinance provides, in part, that no City employee shall have a financial interest in his own name or in the name of any other person in any contract, work, or business of the City, whenever the expense, price or consideration of the contract, work, or business is paid with funds belonging to or administered by the City, or authorized by City Ordinance.

On August 9, 1995, you telephoned our office and asked whether the City's Governmental Ethics Ordinance prohibits a company that you co-own from obtaining and performing contracts with the Chicago School Reform Board of Trustees (the "School Board"), formerly the Chicago Board of Education, and from receiving compensation from the School Board under these contracts. After reviewing the facts and relevant opinions and laws, the Board staff concludes that the City's Governmental Ethics Ordinance does not prohibit your company from obtaining and performing these contracts with the School Board, and from receiving compensation under them.

Dear [redacted]

Re: Case No. 95022.0

[redacted]

August 15, 1995

CONFIDENTIAL

Handwritten initials

City of Chicago
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School Board's powers and duties, and it grants the School Board the authority to raise its own funds and authorize and approve its own contracts and expenditures. As you told staff, the contracts between [redacted] and the School Board are authorized and paid by the School Board. If that is the case, they are not contracts, work, or business of the City, and they are not paid with funds belonging to or administered by the City. Under these circumstances, the City's Governmental Ethics Ordinance does not prohibit [redacted] from obtaining or performing these contracts, or from receiving compensation under them.

The staff's conclusion is based on the application of the City's Governmental Ethics Ordinance to facts stated in this letter. If the facts are incomplete or incorrect, please notify us, as a change in the facts may alter our conclusion. Please note also that other rules or laws may apply to this situation, and that any City department, such as the [redacted] Department, may adopt and impose rules stricter than those contained in the Ethics Ordinance.

We appreciate your calling about this matter, and your willingness to abide by the standards of the Ethics Ordinance. For your review, we enclose a copy of the Ordinance, as well as a brochure which summarizes some of the provisions of the Ordinance of the City, which you should be aware, as owners of a business entity. Please call us if you have any further questions.

Yours very truly,
Steven I. Berlin
Deputy Director

Approved:
Dorothy J. Eng
Executive Director

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