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EMUS

May 12, 1994

C O N F I D E N T I A L

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Chicago, Illinois 60612

94013.G
Conflicts/Implyng
Appointed officials
Fiduciary Duty

Re: Conflict of Interest Questions

Dear [REDACTED]:

This letter confirms our recent telephone conversations of May 4 and 12. In those conversations, we discussed whether, under the City's Ethics Ordinance, you must resign your position as a member of the Chicago Board of [REDACTED]. After analyzing the facts you presented, we have concluded that you do not. However, there are restrictions to which you are subject under the Ordinance. These are discussed below.

You are the Director of the [REDACTED] ([REDACTED]), which has a contract with the City to provide consultation services to other community organizations and local [REDACTED] agencies. A portion of your salary as Director of [REDACTED] is derived from funds received from the City. You asked if your service on the Chicago Board of [REDACTED] while you are also the Director of [REDACTED] violates the Ethics Ordinance.

The relevant provisions of the Ordinance, sections 2-156-030, entitled "Improper Influence," and 2-156-080(a), entitled "Conflicts of Interest," state:

No official or employee shall make, participate in making or 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. (§ 2-156-030)

No official or employee shall make or participate in the making of any governmental decision with respect to any matter in which he has any economic interest distinguishable from that of the general public. (§ 2-156-080(a))



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"Economic Interest" means any interest valued or capable of valuation in monetary terms; provided, that "economic interest" is subject to the same exclusions as "financial interest." (§ 2-156-010(i))

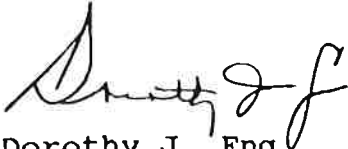
These sections prohibit you from participating in, or trying to use your position to influence, a governmental decision or action in which you have an "economic interest," as that term is defined. For the purposes of the Ordinance, your employment with [REDACTED] gives you an economic interest in that organization (Case no. 91059.A).

Therefore, in order to avoid a conflict of interests in your service on the Chicago Board of [REDACTED], you must recuse yourself from any discussions or decisions of the Board that involve [REDACTED]. You also must recuse yourself from any discussions or decisions of the Board that involve any of the community organizations or [REDACTED] agencies that [REDACTED] services.

There are two additional sections of which you should be aware. Section 2-156-020 of the Ordinance, entitled "Fiduciary Duty," obligates City officials and employees to use their City positions responsibly and in the best interest of the City. It requires them to exercise professional judgments free from outside influences or conflicting duties to other entities. Section 2-156-070, entitled "Use or Disclosure of Confidential Information," prohibits City officials and employees from using or revealing confidential information they may have acquired during the course of their City jobs.

We appreciate your bringing this matter to our attention and your concern to abide by the standards embodied in the Ethics Ordinance. We enclose a copy of the Ethics Ordinance for your convenience. If you have any further questions about this or any other matter, please do not hesitate to contact us.

Sincerely,



Dorothy J. Eng
Executive Director

enclosure

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