



City of Chicago
Richard M. Daley, Mayor

MEMORANDUM

Board of Ethics

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Room 303
320 North Clark Street
Chicago, Illinois 60610-
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To: Board of Ethics

From: [REDACTED]

Re: [REDACTED] Report on [REDACTED]
Case No. 90031.I

Date: April 10, 1991

*Bd approved
to close this
case.*

FACTS: On April 18, 1990, the Board of Ethics received an anonymous letter along with a newspaper article concerning a [REDACTED] contract awarded by the City of Chicago to [REDACTED] Company. The article stated that [REDACTED] employs [REDACTED], a former [REDACTED] of the City. Based on these facts, the letter suggested that the Board investigate whether [REDACTED] might be acting in violation of the City's post-employment prohibitions. In particular, the letter suggested that [REDACTED] might have assisted [REDACTED] in securing a contract over which [REDACTED] exercised contract management authority while [REDACTED] was [REDACTED]. In addition, the letter suggested that the Board determine whether [REDACTED] or any representative of [REDACTED] is registered as a lobbyist. Given the fact that [REDACTED] has a contract with the City, the complainant felt it would be likely that [REDACTED] has attempted to influence some administrative action of the City.

According to [REDACTED], [REDACTED] of the [REDACTED] Department, [REDACTED] left City employment around [REDACTED], 1989, approximately a week or two after the mayoral election. The records of the [REDACTED] Department show that the contract referred to in the article was one awarded to [REDACTED] in [REDACTED] of 1989. [REDACTED] has not been awarded any [REDACTED] contracts since then. According to [REDACTED], that particular contract is indeed one in which [REDACTED] was significantly involved. While the [REDACTED] is not typically so involved in

the formulation of contracts, this particular contract was a new type of venture and a major accomplishment for the Department. The final contract was signed by the City and [REDACTED] on [REDACTED] 1989, and the [REDACTED] Department's Records list the release date as [REDACTED] 1989.

[REDACTED] also stated that, since, [REDACTED]'s departure from City employment, [REDACTED] has represented [REDACTED] before the City on only one occasion, in a contract bid presentation made in February of 1991. [REDACTED] was not awarded that contract. As for the contract awarded to [REDACTED] in [REDACTED] of 1989, [REDACTED] does not have any knowledge of [REDACTED] assisting [REDACTED] in filling that contract.

LAW: Section 2-156-100(b) of the Ethics Ordinance states:

No former official or employee shall, for a period of one year after the termination of the official's or employee's term of office or employment, assist or represent any person in any business transaction involving the City or any of its agencies, if the official or employee participated personally and substantially in the subject matter of the transaction during his term of office or employment; provided, that if the official or employee exercised contract management authority with respect to a contract this prohibition shall be permanent as to that contract.

ANALYSIS: [REDACTED] was still serving as [REDACTED] when [REDACTED] was awarded the contract in question. (There appears to have been some confusion in the newspaper article regarding when the contract was awarded to [REDACTED]. The article implies it was awarded in [REDACTED] 1990, but [REDACTED] Department records show no [REDACTED] contracts awarded to [REDACTED] in 1990.) [REDACTED] did exercise contract management authority over the contract awarded to [REDACTED] in [REDACTED] of 1989. Therefore, § 2-156-100(b) would permanently prohibit [REDACTED] from assisting or representing [REDACTED] in regard to that contract. However, there is no evidence that [REDACTED] assisted [REDACTED] in filling that contract after [REDACTED] left [REDACTED] position [REDACTED]. Clearly, [REDACTED] did not help [REDACTED] secure the contract after [REDACTED] became their employee since [REDACTED] was still [REDACTED] when the contract was awarded. Moreover, we have no evidence that [REDACTED] gave [REDACTED] advice or assistance in exchange for future employment.

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There is also no evidence that [REDACTED] has violated the one year ban. [REDACTED] has represented [REDACTED] before the City's [REDACTED] Department only once since [REDACTED] departure from the City. This presentation, for an entirely new contract with the City, took place in [REDACTED] this year, more than one year after [REDACTED] departure from the City.

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In regard to the second issue of whether [REDACTED] should register as a lobbyist, there is evidence of only the one appearance before the City mentioned above. In a previous case the Board determined that such efforts by employees of a company in connection with the award of a City contract are not considered lobbying. (See case no. 90058.A, [REDACTED]) With no other evidence indicating that [REDACTED] has appeared before the City, there is no reason to investigate whether [REDACTED] has been acting as a lobbyist.

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RECOMMENDATION: The staff does not believe that there is reasonable cause for further investigation. Therefore, we request the Board's vote on whether to notify [REDACTED] in accordance with the Board's Rules and Regulations or close this case.

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