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# CONFIDENTIAL

City of Chicago  
Richard M. Daley, Mayor

## MEMORANDUM

**Board of Ethics**

- J. B. DeWilde  
Executive Director
- Albert F. Hofeld  
Chair
- Angeles L. Eames  
Vice Chair
- Margaret Carter
- Russell Hardin
- Marlene O. Rankin
- Catherine M. Ryan

To: [REDACTED]

From: *Marilyn E. Hanzal*  
Marilyn E. Hanzal  
Legal Counsel

Re: Affirmative Action Advisory Board  
Case No. 90071.Q

Date: November 7, 1990

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

On October 29, 1990, you telephoned asking whether the members of the Affirmative Action Advisory Board are required to file Statements of Financial Interests with the Board of Ethics.

As you know, section 26.2-15(a) requires an appointed official to file a financial interest statement unless he or she is a member of an agency which is solely advisory in nature. This section uses three criteria in defining the term solely advisory: first, the agency must have no authority to make binding decisions; second, it can have no authority to enter into contracts; and third, the agency can make no expenditures other than those incurred for research purposes. (See for e.g. case no. 89129.A).

The staff reviewed Section 26-110 of the Ordinance which establishes the Affirmative Action Advisory Board. The members are to "monitor and report on the participation of Minority- and Women-Owned Business in public contracting." They are permitted to accept offers of gifts or grants and may expend these on projects which facilitate the performance of their duties.

Section 26-111 also sets forth, among other things, the following duties and powers of the Board members:



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1. Assist the purchasing department in the adoption of regulations and guidelines for the implementation of the Minority- and Women-Owned Business Enterprise Procurement Program.
2. Assist the purchasing department with the implementation of the Construction Project Program.
3. Refer charges that City employees have engaged in discrimination against members of minority groups or women in the purchasing function to the City Inspector General, the City Commission on Human Relations, or the Illinois Department of Human Rights.
4. Administer the Credit Program set forth in the Minority- and Women-Owned Business Enterprise Procurement Program.
5. Make recommendations to the Purchasing Agent concerning the suspension of Contractors, M.B.E.s, and W.B.E.s that are charged with making fraudulent misrepresentations concerning their utilization practices.
6. Issue a report to the Mayor setting forth proposed standards for the determination of when an M.B.E. or W.B.E. has become self-sufficient and capable of competing in the market, and should therefore be treated as an Established Business under the Program.
7. Perform other affirmative action related duties as required by the Mayor.

These duties set forth in the Ordinance show that the Board has the authority to make binding decisions and make expenditures. Therefore, it is not solely advisory in nature and its members must file Statements if Financial Interests.

If you have any other questions, please feel free to contact us. We appreciate your assistance in enforcing the Governmental Ethics Ordinance.