

MEH



CONFIDENTIAL

July 25, 1989

City of Chicago
Richard M. Daley, Mayor

[REDACTED]

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

Re: [REDACTED]
Case No. 89110.A

Dear [REDACTED]

The Board of Ethics has considered your request for an advisory opinion regarding the following matter: The Public Library plans to conduct a study of the use of library facilities by the homeless. The proposed budget for the study consists primarily of a fee for a consultant who will conduct the research and develop policies vis a vis the homeless. The director of the study wants to hire a part-time library employee for the consulting job.

According to your letter of June 1, 1989, the employee in question has been a librarian for *many* years and has worked in the Chicago libraries most used by the homeless. The employee currently works in *a division* of the Chicago Public Library at an annual salary of \$xx,xxx. The proposed study would not be conducted during the employee's City hours.

ANALYSIS: Section 26.2-11 of the Ethics Ordinance prohibits employees (both full and part time) from having a financial interest in any City contract. "Financial interest" is defined in Section 26.2-1(1) of the Ordinance as (i) any interest as a result of which the owner currently receives or is entitled to receive in the future more than \$2,500 per year or (ii) any interest with a cost or present value of \$5,000 or more.

Under these two sections, whether the part-time employee can be awarded the consulting contract depends on whether her compensation under the consulting contract would cross the monetary thresholds set out in Section 26.2-1(1). In this regard, our staff contacted you for further information concerning the amount and structure of the employee-consultant's compensation. In a



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letter of June 21, 1989, you responded that the employee would be paid in monthly installments that would amount to no more than \$2,500 in either 1989 or 1990 (the two years of the study).

Such compensation as you described would not exceed the monetary thresholds established in 26.2-1(1) and, as a consequence, would not trigger the prohibition of Section 26.2-11. Therefore, we have determined that the Ethics Ordinance will not prohibit the award of the consulting contract to the employee in question.

This advisory opinion may be relied upon by (1) any person involved in the specific transaction or activity with respect to which this opinion is rendered and (2) any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with respect to which the opinion is rendered.

Should you have any further questions, please contact the Board of Ethics at 744-9660.

Sincerely,

S. Brandzel

S. Brandzel
Chairman

