

Advisory Opinion No. 92-12

An agency head asked the Conflicts of Interest Board whether, consistent with the conflicts of interest provisions of Chapter 68 of the City Charter, he could continue to serve as a director of a for-profit corporation located in another state, the sole purpose of which is to hold real estate investments in that state. This corporation has no business dealings with the City and the public servant accepted the position as director well before entering City service.

The Board was initially concerned that the agency head's continued presence on the board and the corporation's use of his name may give this firm a financial advantage because of the public servant's sensitive and visible position in City government. See Charter Section 2604(b)(3), which provides that a public servant may not use or attempt to use his or her official position to obtain any financial gain or other private advantage, direct or indirect, for a firm with which the public servant has a business or financial relationship.

The Board's concerns were resolved in this case, however, by the agency head's resignation from the board of directors of this corporation, with the understanding that his wife would be elected in his place.

Although normally the transfer of an interest to a spouse will not alleviate problems under Chapter 68, we have approved the request of this public servant based on the particular circumstances as described.

Sheldon Oliensis
Chair

Benjamin Gim

Beryl R. Jones

Robert J. McGuire

Shirley Adelson Siegel

Dated: April 23, 1992