

**ETHICS COMMISSION
CITY AND COUNTY OF HONOLULU**



Advisory Opinion No. 272

This is an advisory opinion in response to your letter requesting advice from the Ethics Commission as to whether a conflict of interest would be created if you accept a volunteer position as director of a non-profit group.

The Commission understands the facts relative to your inquiry to be as follows:

You are a City officer with discretionary authority, and you have been invited to serve as an unpaid director of a noncommercial radio station ("KXYZ"). The organization is currently awaiting the award of a broadcast frequency by the Federal Communications Commission, which may not occur for six to eighteen months, before beginning to operate.

The purpose of KXYZ is to produce and broadcast educational and informational programming to train Native Hawaiians, Pacific Islanders and Asians in all aspects of radio station operations, especially in the production of programming that will address issues of concern to those populations. You can anticipate no reasons that KXYZ would come before the City and County of Honolulu for discretionary approvals.

The ethical question presented is whether service as an KXYZ director would create conflicts of interest with your City position.

The general rules in relation to your question are found in the Revised Charter of the City and County of Honolulu 1973 (1994 Ed.)[RCH]. Section 11-104, RCH, states as follows:

Elected or appointed officers or employees shall not use their official positions to secure or grant special consideration, treatment, advantage, privilege or exemption to themselves or any person beyond that which is available to every other person.

Section 11-102(c) states in pertinent part:

No elected or appointed officer or employee shall... [e]ngage in any business transaction or activity or have a financial interest, direct or indirect, which is incompatible with the proper discharge of such person's official duties or which may tend to impair the independence of judgment in the performance of such person's official duties.

The Revised Ordinances of Honolulu 1990 in the definitions in Section 3-8.1 make it clear that service on the board of directors of a non-profit organization is a financial interest, regardless of whether or not the director is paid.

Based on the evidence presented, the Commission finds that no conflict of interest will be created if you sit as an unpaid member of the Board of Directors of KXYZ if you observe certain restrictions in any fund-raising activities of the organization. You may not use your City title or letterhead in any solicitation effort for KXYZ, nor may you seek contributions by telephone or face-to-face. Any efforts on your part to help raise funds for KXYZ must be made by letter.

Dated: August 23, 1996

GOLDIE D. BRANGMAN-DUMPSON
Chair, Ethics Commission