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**Governor gives up MSI cash;**

**Bans most gifts to state workers**

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SPRINGFIELD-Gov. Edgar on Tuesday partly cleansed his campaign fund of contributions from Management Services of Illinois and forbade state employees under his control from accepting most gifts.

Edgar sent nearly $ 54,000, the cash contributions he received from MSI before it was investigated, to 12 charities on Tuesday. The charities include a Catholic social service organization and a children's charity.

The governor's decision to dip into his $ 3.2 million campaign fund represents a change in position since last week. Edgar vowed then not to return any of MSI's contributions from before 1995, declaring "that money was spent" on television commercials and other campaign expenses.

Edgar spokesman Thomas Hardy said the governor had had time to think about that position and decided Tuesday to give $ 54,000 to a dozen charities across the state.

"I think he reflected on it for a little while and decided to give back the unrefunded amount to worthwhile causes," Hardy said.

Edgar's ban on gifts valued at more than $ 50 was part of an executive order that also will require most state contracts over $ 25,000 to be competitively bid. The no-bid threshold had been $ 250,000.

The actions came less than two weeks after a federal jury convicted a former MSI owner and a former Department of Public Aid official on corruption charges tied to a scheme that bilked taxpayers out of at least $ 7.1 million.

"The people of Illinois depend on governmental leaders to respond when problems surface, implement solutions that make sense and do the right things to assure that similar problems are avoided in the future," Edgar said in a statement.

The order, to take effect Monday, would bar state employees from taking cash, meals or any other gratuity worth more than $ 50 from lobbyists or companies doing or seeking business with the state. Agencies now set their own gift policies.

Edgar, who said he personally will abide by the gift ban, also said he wants the Legislature to make his executive order law so that it would apply uniformly to other constitutional officers and all employees in state government, not just the 60,000 workers he supervises.

Edgar received close to $ 270,000 in cash and in-kind services from MSI and former partners Bill Ladd and Michael Martin, but the amount he doled out Tuesday represented only the cash contributions he received before May, 1995, when the State Police began probing MSI. Edgar previously had returned $ 12,200 that MSI's owners gave him after the investigation began.

Democrats belittled Edgar's charitable donations, saying he ought to make amends for the computers and technical support MSI gave his two gubernatorial campaigns. The firm said those services were worth nearly $ 198,000.

"He's still got a little way to go," said state Democratic Party chairman Gary LaPaille. "He basically is taking care of the Ritz-Carlton dinner he could not remember, where he got $ 40,000."

During the MSI trial, Edgar testified he could not recall details of a one-on-one fund-raising dinner with MSI owners in May, 1994, at the downtown Chicago hotel.

Government watchdog groups, though encouraged by the steps Edgar took Tuesday, said more needs to be done to prevent similar scandals.

"This is a job half done," said Jim Howard, executive director of Illinois Common Cause, which has railed against the state's wide-open ethics laws.

Howard said the Legislature needs to impose a gift ban on all state employees and officials, create an independent ethics review board, prohibit campaign donors from receiving no-bid state contracts and prevent the personal use of campaign funds.

In other corners of government Tuesday, Edgar's move drew praise. GOP Secretary of State George Ryan, who is expected to run for Edgar's job, said his office would adopt "all aspects" of the executive order.