

(Dis)Closing the Circle



By Gavin Kendall

Circular reasoning is trying to prove something is true merely by pointing back to the original statement. It's a logical fallacy where the original premise becomes the conclusion instead of offering evidence to back up the statement. If you're a parent you've probably utilized circular reasoning: "Hey kiddo, it's time to go to bed." "Why?" ➔ "Because it's your bedtime." ◀ "Why?" ➔ "Because this is the time in which you go to bed." ◀ "Why?" If you're one of the 9,000 or so public servants required to file an annual disclosure report, you've probably attempted some circular answering. "Hey, it's time to file your annual disclosure form." "Why?" ➔ "Because Section 12-110 of the New York City Administrative Code requires public servants like yourself to file." ◀ "Yes, but why?" ➔ "Because you have a position in City government that requires you to file." ◀ "Why?" ➔ "Look, I think the law is pretty clear. Can we just talk about getting your report filed?" ◀ "Fine!"

Now, you might be thinking to yourself:

"Gavin, haven't you already written about the Annual Disclosure Law using circular reasoning as your hook?" The answer to that would be no. The last time I wrote about annual disclosure I used the ["frequency illusion"](#) as my hook. And if you remember that article, either you have a remarkable memory, or you're a true City Ethics aficionado, or both.

Just like how birthdays, holidays, and tax season all circle around every year, the annual disclosure filing period is upon us, running from April 8th through May 3rd. This 49-year-old law requires elected officials, agency heads, those who deal with contracts, members of boards and commissions, tax assessors, those with "substantial policy discretion," and candidates for City elected office, plus members of local public authorities, to disclose their outside financial interests from the previous calendar year. These interests include positions at outside firms and not-for-profits, debts, real property, and stocks, to name a few. If you happen to be one of the 3% of public servants subject to

the law, you have already been contacted about needing to file, so read that email if you haven't already.

The goal of the City's Annual Disclosure Law is transparency & compliance, which is why there are opportunities, if needed, for amending reports. But it is important that nothing is intentionally omitted. Doing so could lead to penalties, of a criminal, disciplinary, and financial nature. Policymakers and other designated filers have the public's trust in their hands. The public deserves to know that the integrity of the important decisions made by these public servants are not affected by their private financial interests. By filing reports and making them available for public inspection, public confidence in the integrity of these key decision-makers is maintained.

Not all information from the reports is available to the public. Confidential personal information like the filer's home address, for example, is not. Filers can also request certain information be withheld for safety or security reasons. If the Board agrees, the information will be omitted in the public portion of the report. Once reports are ready for public consumption, they can be requested through our [Annual Disclosure Report Request Form](#) while reports for elected officials (Mayor, Comptroller, Public Advocate, City Council Members, District Attorneys, and Borough Presidents) are [posted on our website](#), available for download.

Now, you might be saying to yourself: "Gavin, why do I have to fill out an annual disclosure report every year when I already passed my background check conducted by the Department of Investigation?" Background checks, which are not available for public inspection, identify any liabilities which might make it hard for a potential hire to do their job. Annual disclosure reports help to protect the public's confidence in the integrity of current City decision-makers. So if you're one of those decision-makers, get your report filed or you may be asking some circular questions yourself. "Why was I fined for not filing my annual disclosure report?" ➔ "Because you didn't file your annual disclosure report?" ◀ "But why didn't I file my annual disclosure report?" ➔ That's a very good question!



If you are a filer and have questions about annual disclosure, there's a few different ways we can help. First, check out [our Frequently Asked Questions page](#) for answers to the most asked questions. But if you have a more specific question about your annual disclosure report, call the Annual Disclosure Unit directly at 212-437-0739, email efiling@coib.nyc.gov, or [reach out to the annual disclosure liaison at your agency](#). And for any other conflict of interest related questions, filers and non-filers alike can always reach our Attorney of the Day Hotline in one of three ways: call us Monday through Friday, 9am to 5pm, at 212-442-1400; email us at aod@coib.nyc.gov; or [submit questions online](#).



Gavin Kendall is an Education & Engagement Specialist at the New York City Conflicts of Interest Board.



nyc.gov/ethics

Phone: (212) 442-1400
Fax: (212) 437-0705

Recent Enforcement Cases

Misuse of City Resources. The Senior Vice President for Business Operations and Pharmacy (“SVP”) at New York City Health + Hospitals caused Health + Hospitals to purchase \$98,000 in consulting services and ventilators from a company where her husband worked as a Senior Vice President. The SVP also used her agency P-Card, which she was given for emergency use during the COVID-19 pandemic, to make 38 purchases totaling \$7,261.98 for food and alcohol at sit-down meals, largely at expensive restaurants, at a time when indoor dining was limited due to the pandemic. The SVP also used her agency P-Card to spend \$872.33 on the food delivery service Seamless and to make a \$2,500 “donation” to her alma mater, St. John’s University, to secure her placement on the St. John’s University College of Pharmacy and Health Sciences Dean’s Advisory Board. The SVP agreed to pay a \$25,000 fine.

Misuse of City Position. A Principal for the New York City Department of Education (“DOE”) directed payments totaling \$50,815 to her son’s company to provide numerous services and products to her school, including murals, business cards, banners, and parent workshops. The now-former Principal agreed to pay a \$22,500 fine.

Misuse of City Position. A DOE Payroll Secretary’s son was hired by her school’s Principal to work a two-week stint as a substitute Paraprofessional at her school. As Payroll Secretary, she processed her son’s assignment in DOE’s SubCentral sys-

tem so that he could get paid. After the two-week stint ended, she twice re-assigned her son to her school in Sub-Central, making him eligible to be paid for an additional six months of work that had not been authorized by the Principal. She also entered her son’s work hours into the DOE payroll system, including hours for 55 days that her son did not work. In a three-way settlement with the Board and DOE, the Payroll Secretary agreed to pay a \$10,000 fine to the Board.

Misuse of City Position. A Patient Access Director for New York City Health + Hospitals/Bellevue accepted \$1,524 in birthday and Christmas gifts from her subordinates, including an Apple watch, a designer purse, a spa gift certificate, and a Pandora bracelet with thirteen charms. The Patient Access Director admitted that, by accepting these gifts, she used her City position to benefit herself; in a joint settlement with the Board and Health + Hospitals, she agreed to pay a \$3,500 fine to the Board.

Prohibited Appearances & Prohibited Post-Employment Appearances.

A Civil Engineer for the New York City Department of Buildings (“DOB”) was also a New York State licensed Professional Engineer and was certified to file permits and other applications with DOB. While he was employed at DOB, he filed a total of 28 forms and applications with DOB, the New York City Department of Finance, and the New York City Department of Environmental Protection under

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his Professional Engineer's license for clients of the construction company he operated. Within one year of his departure from DOB, he filed 11 forms with DOB for clients of his construction company. The now-former Civil Engineer agreed to pay a \$6,000 fine.

Superior-Subordinate Financial Relationship. A Correction Officer for the New York City Department of Correction ("DOC") entered into a prohibited financial relationship with his superior when he sold multiple pairs of sneakers to a DOC Assistant Deputy Warden in exchange for \$860. The Correction Officer paid a \$500 fine.

Superior-Subordinate Financial Relationship & Misuse of City Position. A DOE Deputy Superintendent and a Principal he supervised entered into a financial relationship in November 2021 when the Deputy Superintendent began living with the Principal at the Principal's apartment; they opened a joint bank account in July 2022 and purchased a house together in November 2022. The Deputy Superintendent stopped supervising the Principal in January 2023. During the period of their financial association, the Deputy Superintendent conducted a performance evaluation of the Principal. The now-former Deputy Superintendent paid a \$5,500 fine, and the Principal paid a \$3,500 fine.

Misuse of City Resources. For two years, a DOE teacher listed his DOE email address on his private website next to an advertisement for private tutoring services and a solicitation for donations. The teach-

er also used his DOE email account to respond to two tutoring service inquiries; he did not obtain any clients through this correspondence. The teacher paid a \$500 fine.

Visit our [search engine](#) for all COIB Enforcement Dispositions.

THE PUBLIC SERVICE PUZZLER



Sure, many of our ethical dilemmas can be solved by consulting Chapter 68, but what happens when public servants find themselves in a river with a canoe and a questionable valuable gift? Paddle into this month's [Puzzler](#) and come up with the solution to our conundrum. If you succeed, you may be featured in next month's issue. Resolve this very important hypothetical scenario and [send us your answer!](#)