

**IN THE MATTER OF MICHAEL SCADUTO
COIB CASE NO. 2016-096
MAY 17, 2017**

SUMMARY: A former Department of Education (“DOE”) Assistant Principal asked for and received \$15,000 in monetary gifts from a teacher who was his subordinate. The former Assistant Principal told the teacher he would use the money for a charitable cause and to pay certain personal expenses he was incurring, but he kept the money for himself. The Assistant Principal returned the \$15,000 to the teacher after the teacher learned what had happened to the money and asked that he return it. His DOE employment ended shortly thereafter. The Board fined the former Assistant Principal \$7,000, which took into account that he had already repaid his former subordinate. *COIB v. Scaduto*, COIB Case No. 2016-096.

STIPULATION AND DISPOSITION:

WHEREAS, the New York City Conflicts of Interest Board (the “Board”) commenced an enforcement action pursuant to Section 2603(h)(1) of Chapter 68 of the New York City Charter (“Chapter 68”) against Michael Scaduto (“Respondent”); and

WHEREAS, the Board and Respondent wish to resolve this matter on the following terms; and

IT IS HEREBY AGREED by and between the parties as follows:

1. In full satisfaction of the above-captioned matter, Respondent admits to the following:

- a. From April 23, 2007, until August 31, 2015, I was employed by the New York City Department of Education (“DOE”). During that time, I was a “public servant” within the meaning of and subject to Chapter 68.
- b. At all times relevant to this matter, I was the Assistant Principal at the High School for Construction Trades, Engineering & Architecture in Queens (Q650).
- c. In March 2015, I asked for and received \$5,000 from a Teacher at Q650 who I supervised for what I represented was a charitable cause.
- d. In April 2015, I received \$10,000 from that Teacher to pay for personal expenses that I had told her I was incurring.
- e. I did not donate the \$5,000 the Teacher had given me to the charitable cause I had described to the Teacher, and I did not use the \$10,000 the Teacher had given me to pay for the expenses I had described. Instead, I kept all of the money that she gave me for myself.

- f. When the Teacher learned what happened to the money she had given me, she asked me to return the money, and I did so.
- g. I acknowledge that, by accepting \$15,000 from a subordinate for my personal use, I used my City position for personal gain in violation of City Charter § 2604(b)(3), which states:

No public servant shall use or attempt to use his or her position as a public servant to obtain any financial gain, contract, license, privilege or other private or personal advantage, direct or indirect, for the public servant or any person or firm associated with the public servant.

2. After examining prior cases in which public servants accepted gifts from subordinates, and taking into account that Respondent has fully repaid his subordinate, the Board has concluded that the appropriate penalty in this case is a fine of Seven Thousand Dollars (\$7,000.00).

3. Respondent agrees to the following:

- a. I agree to pay a fine of Seven Thousand Dollars (\$7,000.00) to the Board by money order or by cashier check, bank check, or certified check, made payable to the “New York City Conflicts of Interest Board,” at the time of my signing of this Disposition.
- b. I agree that this Disposition is a public and final resolution of the Board’s action against me.
- c. I knowingly waive, on my behalf and on behalf of my successors and assigns, any rights to commence any judicial or administrative proceeding or appeal before any court of competent jurisdiction, administrative tribunal, political subdivision, or office of the City or the State of New York or the United States, and to contest the lawfulness, authority, jurisdiction, or power of the Board in imposing the penalty which is embodied in this Disposition, and I waive any right to make any legal or equitable claims or to initiate legal proceedings of any kind against the Board, or any members or employees thereof relating to or arising out of this Disposition or the matters recited therein.
- d. I confirm that I have entered into this Disposition freely, knowingly, and intentionally, without coercion or duress and having been represented by the attorney of my choice; that I accept all terms and conditions contained herein without reliance on any other promises or offers previously made or tendered by any past or present representative of the Board; and that I fully understand all the terms of this Disposition.

e. I agree that any material misstatement of the facts of this Chapter 68 matter, including of the Disposition, by me or by my attorney or agent shall, at the discretion of the Board, be deemed a waiver of confidentiality of this matter.

4. The Board accepts this Disposition and the terms contained herein as a final Disposition of the above-captioned matter only, and affirmatively state that other than as recited herein, no further action will be taken by the Board against Respondent based upon the facts and circumstances set forth herein, except that the Board shall be entitled to take any and all actions necessary to enforce the terms of this Disposition.

5. This Disposition shall not be effective until both parties have affixed their signatures below.

Dated: April 22, 2017

_____/s/
Michael Scaduto
Respondent

Dated: April 28, 2017

_____/s/
Lloyd Somer
Law Offices of Lloyd Somer
Attorney for Respondent

Dated: May 17, 2017

_____/s/
Richard Briffault
Chair
NYC Conflicts of Interest Board