

STATE OF THE BOARD

2007 was, by virtually any measure, the most productive year in the history of the Conflicts of Interest Board. And as I summarize our accomplishments for the year, I ask you to keep in mind that we do this with a staff of only 21, led by our dedicated and conscientious Executive Director, Mark Davies.

I will begin with our Training and Education Unit. I start here because it is the training and education function, including organizing this annual ethics seminar, that spreads the word about what Chapter 68 requires and how to comply with those requirements.

In 2007, this unit conducted an all-time record 416 training classes, reaching more than 15,000 City employees in 62 City agencies and offices. Working with the Board's attorneys, the Unit also conducted 32 Continuing Legal Education classes, another all-time record.

We have a monthly column in *The Chief-Leader* called "Ask the City Ethicist," our own newsletter *The Ethical Times*, and we are now contributing brief articles to the *Public Employees Press*. The Unit also

updated and rewrote our Plain Language Guide to Chapter 68, our “Orange Book.”

One of our goals for 2008 is to develop new strategies with DOE’s Ethics Officer to reach DOE principals and teachers in light of severe cuts in teachers’ professional development time.

Our Legal Advice Unit is a resource for City employees who want to know if what they are about to do is OK under Chapter 68 and, if not, how to come into compliance. Advice from the Board provides a public servant with a safe harbor about proposed future conduct, so long as he or she presents all the material facts accurately. In 2007, we issued 605 pieces of written legal advice and handled 3,326 telephone calls for advice. Again, both records. And even as the number of written requests for advice received has grown, at year end we had reduced the number of pending requests by 21%. 2007 also saw four formal public Advisory Opinions, including our first Advisory Opinion under the 2006 Lobbying Gifts Law.

The Board’s Enforcement Unit also had a busy year. Our Annual Report summarizes all 87 public dispositions, a 235% increase over 2006. Notable public dispositions included our largest fine for

violating the Charter's prohibitions against accepting gifts from firms doing business with the City, and our first fine for disclosing confidential information a public servant gained while working for the City.

We also continued our practice of prosecuting cases against former public servants, not only to enforce the post-employment rules governing contacts with the City but also with respect to conduct that occurred when the individual was still working for the City. These cases remind public servants that resigning their City employment does not end the Board's jurisdiction to investigate and prosecute violations of Chapter 68.

As most of you know, when the Board finds probable cause to believe Chapter 68 has been violated, we refer the case to the public servant's agency if the agency is pursuing a parallel disciplinary proceeding. Even after referral, though, the case is still a pending COIB matter. We urge agencies to include the Board's staff in any negotiations to resolve the cases we refer to them. Three-way settlements are an efficient way for agencies and the Board to use their resources, and also give public servants an opportunity to bring closure to all the issues arising out of their particular cases.

Our Financial Disclosure Unit was especially busy in 2007. One of the unit's priorities was improving the electronic filing process. Our staff worked with DoITT to streamline many of the steps, to allow filers to get assistance from a delegate in completing the form, and to incorporate the DOI form for those public servants who must file both the COIB and the DOI report. The Board has also been developing forms and processes to administer the Public Authorities Accountability Act of 2005, which requires financial disclosure by City-affiliated not-for-profit organizations. Another new development is a new procedure for appeals by public servants contesting agency determinations that they are required to file a financial disclosure report. We agreed with District Council 37 on a one year test of the new procedure.

Perhaps the biggest news in financial disclosure, however, occurred just this past month. For over 10 years the Board has been seeking state authorization to allow the City to amend its financial disclosure form to tie it directly to Chapter 68 and to eliminate irrelevant questions. This past month, the state legislature enacted legislation granting that authorization. We expect that the Board's proposed amendments to the City's financial disclosure law,

implementing this new state law, will be introduced very soon, and we hope the Council will pass them at the earliest available opportunity.

As I said at the outset, we are able to do all of this with a staff of only 21. In Fiscal 2008 the Board was able to hold its own on the budget. We continue to urge the Council and the Mayor to amend the Charter to give the Board budget protection, so our budget will no longer be subject to the discretion of the very officials subject to our regulatory and enforcement authority.

Finally, we are proud of the recognition our staff has received. Municipalities throughout the country, and around the world, continue to look to our staff for help updating and improving their ethics laws and practices. The State Department's International Visitors Program regularly refers foreign visitors to our staff for presentations and assistance. And this January, the New York State Bar Association honored Mark Davies with its 2008 Attorneys in Public Service Award, which Mark graciously acknowledged as an honor not only to himself but also to the entire Staff. I'll ask the Board staff in attendance to rise so we can all recognize who it is that is doing all this work.