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April 10, 2015

VIA FIRST CLASS MAIL

Rishard Chapoteau

Re: COIB Case No. 2014-676

Dear Mr. Chapoteau:

The New York City Conflicts of Interest Board (the "Board") is issuing this letter to you in connection with your use of City resources to run Bitcoin mining software. You have agreed to make this letter public in order to provide guidance to others faced with similar situations.

Since February 22, 2009, you have been employed by the New York City Department of Education ("DOE") as a Network Engineer. Sometime in 2013, you installed and ran Bitcoin mining software on your DOE computer. After some time, you uninstalled the software from your DOE computer. In November 2013, you connected a Raspberry Pi computing device to a network closet in your DOE office, and through April 21, 2014, you ran two Bitcoin mining programs from this device. On April 12, 2014, you used your DOE computer and the DOE network to remotely access the Raspberry Pi device to determine if the software installed on the device was successfully mining Bitcoin. This use of your DOE computer and the DOE network was done without the knowledge or permission of DOE.

We refer you to Chapter 68 of the New York City Charter, which contains the City's ethics law. In particular, City Charter Section 2604(b)(2), which provides:

> No public servant shall engage in any business, transaction or private employment, or have any financial or other private interest, direct or indirect, which is in conflict with the proper discharge of his or her official duties.

We further refer you to Board Rules § 1-13(b), which states:

> Except as provided in subdivision (c) of this section, it shall be a violation of City Charter § 2604(b)(2) for any public servant to use City letterhead, personnel, equipment, resources, or supplies for any non-City purpose.

By using your City computer, a DOE network closet, and the DOE network to attempt to mine Bitcoin, you used City resources for a non-City purpose in violation of City Charter § 2604(b)(2), pursuant to Board Rules § 1-13(b). Chapter 68 prohibits any use of City resources for a second job, outside business, or other money-making endeavor.

Because there is no evidence that you successfully obtained Bitcoin and because it is unclear whether the resources you used were capable of successfully mining Bitcoin, the Conflicts of Interest Board has concluded that no fine is required in this matter. It is issuing this public warning letter to provide guidance to other public servants in similar situations. This letter should be regarded as a formal reminder of the importance of strict compliance with the City's conflicts of interest law, contained in Chapter 68 of the City Charter and the Board Rules. Precise compliance with these provisions avoids even the appearance of impropriety and helps strengthen public confidence in City officials.

Public servants who violate the conflicts of interest law may be subject to enforcement proceedings, which can result in civil fines of up to $25,000 per violation, disciplinary action, and other penalties provided in City Charter § 2606, including disgorgement of any financial gain obtained as a result of the public servant's violation of Chapter 68.

In the future, if you have any questions concerning the conflicts of interest law, please contact the Board Staff at (212) 442-1400. With the issuance of this letter, the Board is closing this case.

Very truly yours,

Richard Briffault
Chair

I hereby waive any right I may have to confidentiality and agree that the Board may make this document public. I represent that I have entered into this agreement freely, knowingly, and intentionally without coercion or duress and that I have had a full opportunity to consult with counsel of my choice.

Rishard Chapoteau

3/22/15
Date