

CITY OF NEW YORK CONFLICTS OF INTEREST BOARD

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May 17, 2022

Maria Torres-Springer Deputy Mayor for Economic & Workforce Development Office of the New York City Mayor City Hall New York, New York 10007

Re: Conflicts of Interest Board Case No. 2022-181 (Vilda Vera Mayuga)

Dear Deputy Mayor Torres-Springer:

This is in response to your letter to the Conflicts of Interest Board (the "Board"), dated March 14, 2022, and subsequent communications between the New York City Department of Consumer and Worker Protection ("DCWP") and Board staff, designating, pursuant to Board Rules Section 1-13(e)(1), DCWP Commissioner Vilda Vera Mayuga to use City time and City resources to perform work for NYC Kids RISE and requesting a determination by the Board, pursuant to Board Rules Section 1-13(e)(2), that she may take part in NYC Kids RISE's business dealings with the City.

Relevant Facts

You advise that DCWP is charged with consumer protection, engagement, and empowerment to improve the quality of life for City residents and businesses. As part of this work, DCWP oversees programs, products, and policies to support City residents with low and moderate incomes to build wealth and improve their financial health.

You further advise that NYC Kids RISE is a not-for-profit organization founded in 2016 by DCWP, the New York City Mayor's Office for Economic Opportunity, and the Gray Foundation, a not-for-profit organization committed to improving the lives of low-income children in the City. NYC Kids RISE promotes financial education and post-secondary education expectation, opportunities, access, and success for New York City residents. As part of this work, NYC Kids RISE administers the Save for College Program: a City scholarship and educational savings program that provides every kindergarten student enrolled in a City public school with an educational savings account and an initial \$100 deposit; the students are also provided access to rewards and scholarships, financial education, and college and career readiness support. DCWP is responsible for

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distributing \$45 million to NYC Kids RISE over three years to fund the initial cash deposits into the Save for College Program savings accounts.

Pursuant to its by-laws, NYC Kids RISE has between seven and fifteen members of its board of directors, three of whom serve *ex-officio*: the Chancellor of the New York City Department of Education ("DOE") and two other officials designated by the Mayor: a Deputy Mayor and a Commissioner or other high-level City official. Mayors have historically designated the DCWP Commissioner to serve as an *ex-officio* member of NYC Kids RISE's board of directors. As an *ex-officio* board member and the head of the agency distributing the City funds for the Save for College Program savings accounts, Commissioner Mayuga would attend quarterly board meetings and vote on and discuss the Save for College Program, such that she would be involved in the business dealings between NYC Kids Rise and the City.

By his letter dated March 22, 2022, Mayor Eric Adams approves of Commissioner Mayuga's work on behalf of NYC Kids RISE as part of her work for DCWP and her participation in the business dealings between NYC Kids RISE and the City.

Relevant Law

Charter Section 2604(b)(2), as interpreted in Board Rules Section 1-13, prohibits a public servant's use of City time or City resources for non-City purposes.

Board Rules Section 1-13(e) provides that an agency head may designate a public servant to perform work on behalf of a not-for-profit corporation, association, or other such entity that operates on a not-for-profit basis, including serving as a board member or other position with fiduciary responsibilities, provided that: (i) there is a demonstrated nexus between the proposed activity, the public servant's City job, and the mission of the public servant's agency, and such work furthers the agency's mission and is not undertaken primarily for the benefit or interests of the not-for-profit; (ii) the designated public servant takes no part in the entity's business dealings with the City at the entity or at their agency; and (iii) within 30 days the written designation is disclosed to the Board and will be posted on the Board's website.

A public servant designated pursuant to Board Rules Section 1-13(e)(1) may take part in the entity's business dealings with the City at the entity and/or at their agency if, after written approval of the agency head, the Board determines that there is a demonstrated nexus between the proposed participation, the public servant's City job, and the mission of the public servant's agency; and that such participation furthers the agency's mission and is not undertaken primarily for the benefit or interests of the not-forprofit entity. See Board Rules Section 1-13(e)(2).

<u>Advice</u>

The Board has determined, based on the above representations and you and Mayor Adams's written approval, that there is a demonstrated nexus between

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Commissioner Mayuga's work for DCWP, her work for NYC Kids RISE, and the mission of DCWP. The Board has also determined that Commissioner Mayuga's participation in the business dealings between the City and NYC Kids RISE furthers DCWP's mission. Accordingly, she may use City time and City resources to perform work for NYC Kids RISE and may be involved in business dealings between NYC Kids RISE and the City. <u>See</u> Board Rules Section 1-13(e)(2).

The advice conveyed in this letter is conditioned on the correctness and completeness of the facts supplied to us. If such facts are in any respect incorrect or incomplete, the advice we have given to you may not apply. If at any time you would like further advice based on a change of circumstances or additional information, please contact us.

Very truly yours,

Fernando A. Bohorquez Jr. Acting Chair

Wayne G. Hawley Ifeoma Ike Georgia M. Pestana

cc: Elizabeth Segal Vilda Vera Mayuga