



Department of Investigation

Press Release

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March 5, 2001

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CONFLICTS OF INTERESTS BOARD FINES HOUSING AUTHORITY BOARD MEMBER FINKEL \$2,250 FOR USING HIS CITY POSITION TO HELP FIND HIS DAUGHTER A JOB

The New York City Conflicts of Interest Board announced today that it had settled a case involving New York City Housing Authority ("NYCHA") Board Member Kalman Finkel's use his office, in 1997, to help obtain a computer programmer's job for his daughter with Interboro Systems Corp., a company with a \$4.3 million contract with the Housing Authority. In a written agreement, Mr. Finkel admitted that his conduct violated sections 2604(b)(2) and (b)(3) of the City Charter, which prohibit a public servant from using his City office to obtain a benefit for himself or for a member of his family.

Mr. Finkel admitted that he met with executives of Interboro in his NYCHA offices on April 2, 1997, at their request, to discuss a contract that Interboro was pursuing with the City. Mr. Finkel asked the Interboro executives if they knew of any firms that could use a computer programmer like his daughter, who was looking for a job. Interboro's representatives suggested that Mr. Finkel send her resume to them and they agreed to "pass it along" to people in the market for skilled computer programmers. Mr. Finkel faxed his daughter's resume to representatives of Interboro the next day, using a NYCHA fax machine. On April 16, 1997, two weeks after his meeting with Interboro, Mr. Finkel voted in favor of a resolution to increase, by \$52,408, Interboro's contract with NYCHA as part of a mass vote on a number of non-controversial items. Interboro hired Mr. Finkel's daughter as a computer programmer in or about July 1997.

Mr. Finkel stated that he was not aware that the company receiving the benefit of his vote was the same one to which he has sent his daughter's resume. His inadvertent vote in favor Interboro was one among many items

supported by NYCHA's staff, and this vote was signified by the absence of an objection. After he became aware that his daughter was employed by Interboro, Mr. Finkel immediately gave notice to NYCHA's Secretary that he would recuse himself from voting on all matters involving Interboro before NYCHA. Thereafter, Mr. Finkel did recuse himself from voting on all such matters.

The Conflicts of Interest Board is the City's ethics board and is responsible for enforcing Chapter 68 of the New York City Charter, the City's conflict of interest law. The Board is currently composed of three members, appointed by the Mayor and confirmed by the Council.

Mark Davies, Executive Director of the Board, stated that, "Most public officials are honest but even the honest ones can make mistakes. The prohibition on using one's City job to obtain a benefit for a family member is among the most important provisions of the City's ethics law. All public servants, especially high level City officials like Mr. Finkel must be vigilant not to use their public positions to obtain private benefits."

Joan R. Salzman, the Board's Deputy Executive Director and Chief of Enforcement, said, "We hope that this case alerts City officials to the idea that they must separate their private interest from their public duties, and thereby avoid similar errors." Board penalties are civil fines.

Ms. Salzman and Peter M. Nadler, Deputy Chief of Enforcement, handled this matter for the Board.

The Board gratefully acknowledges the excellent work of the New York City Department of Investigation, which, pursuant to the City Charter, serves as the investigative arm of the Board. The Board extends special thanks to DOI Commissioner Edward J. Kuriansky, First Deputy Commissioner Alain M. Bourgeois, Deputy Commissioner Peter Bloch, DOI Assistant Commissioner of NYCHA Inspector General Steven A. Pasichow, First Deputy Inspector General Billow Robinson, and Judy Abruzzo, Counsel to the Inspector General.