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Ethics for Procurement Officials



May 4 & 5, 2022

Ethics for Procurement Officials

Goals of today's presentation:

- Raise awareness
- Give you the ability to see red flags

** Not to make you experts!*

Ethics for Procurement Officials

Purpose of Ethics Laws:

- Ethics laws are enacted to prevent both actual and apparent conflicts of interest
- Today, we will introduce these laws and talk about how they impact you as a procurement officer

Agenda

- Introduction and overview
- Ethics and procurement
- Laws and regulations
- Gifts
- Conflicts of interest
- Employment restrictions
- Political and outside activities
- Office of the New York State Inspector General
- Questions

Introduction and Overview

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Introduction and Overview

- Why does ethics in public procurement matter?
 - Public expectation:
 - Efficient, effective and accountable
 - Is there a tension between efficient and effective and accountable?
 - Headlines and enforcement actions
 - Today we will review real life ethics fails

Introduction and Overview

- Why does it matter?
 - Perception of you, your agency and government in general
 - People will find out
 - Duty to protect and respect the trust placed in us by the public



Introduction and Overview

- Where are we today?
 - Public corruption exists
 - A recent study reports over 7,000 state and local officials charged with corruption in the United States
 - Costs taxpayers
 - Diverts resources

Introduction and Overview

Headlines:

- <https://www.justice.gov/usao-edva/pr/former-government-contracting-officer-sentenced-bribery-conspiracy>
- <https://www.nbcnewyork.com/news/local/crime-and-courts/contractors-expected-to-be-charged-in-alleged-nycha-kickback-scheme-sources/3280939/>
- <https://www.justice.gov/usao-sdny/pr/manhattan-businessman-charged-manhattan-federal-court-fraudulently-obtaining-government>

Introduction and Overview

- In a study of state integrity by the Center for Public Integrity, only three states score higher than D+
- 11 flunk!
 - Alaska: C
 - California and Connecticut: C-
 - New York: D-
- Flunking states: Oklahoma, Louisiana, Oregon, Kansas, Maine, Pennsylvania, Nevada, South Dakota, Delaware, Wyoming and Michigan

Ethics and Procurement

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Ethics and Procurement

- Ethical considerations in all stages of the procurement
 - Planning
 - Solicitation and selection
 - Post selection
 - Protests and debriefings
 - Contract administration

Ethical Considerations in All Stages of the Procurement

- Planning stage
 - Challenges
 - Relationships
 - Confidential information
 - Solutions
 - Recusal
 - Plan for objectivity and communication

Ethical Considerations in All Stages of the Procurement

- Solicitation stage
 - Challenges
 - Conflicts of interest
 - Gifts
 - Confidential information
 - Solutions
 - Plan for open and level process
 - Limit changes to documents

Ethical Considerations in All Stages of the Procurement

- Post selection: evaluation and award stage
 - Challenges
 - Conflicts of interest
 - Gifts
 - Confidential information
 - Solutions
 - Plan for open and level process
 - Objective panel/review

Ethical Considerations in All Stages of the Procurement

- Protest and debriefing stage
 - Challenges
 - Conflicts of interest
 - Confidential information
 - Solutions
 - Plan for communication
 - Objective panel/review

Laws and Regulations

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Laws and Regulations

- **Public Officers Law § 73:** Outside activities, nepotism, gifts, honoraria, travel, future and post-employment restrictions
 - **JCOPE regulations:** honoraria, official activity expense payments, outside activities, gifts, public service announcements, investigations and enforcement proceedings
- **Public Officers Law § 74:** The code of ethics
- **State Finance Law Article 11:** Procurement activities
- **Civil Service Law § 107:** Political activity

Gifts

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Gifts

- As a state officer or employee, you have a duty to serve the public interest and to avoid even the appearance that improper considerations are affecting the performance of your official duties
- You may also know that you cannot accept a gift under circumstances where it would be reasonable to believe that the gift is intended to influence your performance of your official duties, or to reward you for an official action

Gifts

- The gift restrictions for state officers and employees are found in Public Officers Law § 73(5) and in the JCOPE regulations at 19 NYCRR Part 933
- **JCOPE gift analysis:** The main idea of the JCOPE gift analysis revolves around two central questions
 - Is it a gift?
 - Who is offering it to me?

Gifts

- Once you have answered these questions, you need to also determine:
 - Whether accepting the gift is an actual or apparent conflict of interest, and/or
 - Whether the gift is intended to reward or influence you
- If the answer to either of these questions is “yes,” then you cannot accept the gift
 - ** Individual agencies may have more stringent guidelines!

What is Considered a Gift?

- Broadly defined-simple answer is anything more than “nominal value” (over \$15)
- Includes but is not limited to:
 - An item
 - Money
 - A service
 - A loan
 - Travel
 - Lodging
 - Meals
 - Refreshments
 - Entertainment
 - A discount
 - Debt forgiveness
 - A promise that has a monetary value

Who is Offering the Gift

- In general, you cannot accept a gift from an Interested Source, unless it is not reasonable to infer that the item or service was intended to influence you in your job or reward you for performing your job

Who is an “Interested Source”?

- An “interested source” is a person or entity who:
 - Is regulated by, negotiates with, or appears before your state agency
 - Does business, or seeks to do business, with your state agency
 - Is a registered lobbyist who lobbies your state agency, or the spouse or unemancipated child of such lobbyist
 - Is involved in any ongoing official action or proceeding adverse to you or your state agency
 - Has received or applied for funds from your state agency during the last 12 months

Gifts from “Non-Interested Sources”

- You may ordinarily accept gifts from “non-interested sources,” unless it could be reasonably inferred or expected that the gift **was intended to influence you in your job or reward you for performing your job**
- In either instance, when a gift is received or solicited from either an “interested” or a “non-interested” source, your agency’s ethics officer or JCOPE attorneys are available to assist you in determining whether the circumstances restrict your ability to accept the gift

Other Considerations Regarding Gifts

- Even if you have paid market value for an item, it could still be a gift — and impermissible to solicit or receive — if the purchased item is otherwise unavailable to the public
- For example, an opportunity to buy tickets to a sold-out concert or sports event could be a gift, depending on the circumstances

Other Considerations Regarding Gifts

- **Third-party gifts:** A state officer or employee may not direct a gift that is impermissible to receive under the Public Officers Law or JCOPE regulations to any third-party, including a charitable organization
- **Multiple gifts:** Receiving permissible items or services (i.e., of nominal value) from the same source on multiple occasions could add up to a violation of the gift rules
- **Code of ethics applies:** Influence or reward

Gift Exclusions

- There are several items excluded from the definition of gift and, therefore, those are generally acceptable, subject to other considerations, including Public Officer's Law § 74
- A few of the more common gift exclusions include:
 - Awards or plaques given in recognition of public service
 - Honorary degrees
 - Promotional items with no resale value
 - Discounts available to the general public

Gift Exclusions

- A few of the more common gift exclusions include:
 - Gifts from those with whom there is a demonstrated familial or personal relationship
 - Contributions reportable under the election law
 - Meals and beverages provided to participants at professional and educational programs
 - Local travel payments related to official activity
 - Food or beverage valued at \$15.00 or less
 - Attendance at widely attended events, bona fide political events and bona fide charitable events

**** Very fact specific!**

Gifts & JCOPE

- **JCOPE enforcement action:** An assistant facilities project coordinator at the SUNY Downstate Medical Center at Bay Ridge accepted payments in the amount of \$3,000 over two years from a vendor while his state responsibilities included coordinating with the vendor's employees to maintain the facility
 - Was there anything wrong with the employee's actions?
 - Were the payments a gift?
 - Were the payments intended to influence the SUNY employee or intended as a reward for official action?

Gifts & JCOPE

- **JCOPE determination:** Public Officers Law § 73(5)(a) prohibits a state employee from soliciting, accepting, or receiving a gift having more than nominal value where it could reasonably be inferred that the gift was intended to influence or could be expected to influence the performance of one's official duties or as a reward for an official action
- The state employee understood the payments were in recognition of performing his official duties in managing the SUNY facility
- The employee agreed to pay a \$4,000 fine, resigned from SUNY, and admitted to violating the Public Officers Law

Gifts & JCOPE

- **JCOPE enforcement action:** The former regional director of the New York State Department of Transportation (DOT) accepted annual hunting trip packages, which included airfare, lodging, and meals, from a family friend who was also an employee of a DOT vendor with which he did business in his official capacity
 - Was there anything wrong with the employee's actions?
 - Were the trips a gift?
 - Were the trips intended to influence the DOT employee or intended as a reward for official action?

Gifts & JCOPE

- **JCOPE determination:** The employee admitted to violating Public Officers Law § 73(5)(a), which prohibits a state employee from soliciting, accepting, or receiving a gift having more than nominal value in a situation where it could reasonably be inferred that the gift was intended to influence or could be expected to influence him in performing his official duties or as a reward for an official action by accepting improper gifts from a vendor over several years
- The state employee agreed to pay a \$5,000 fine

Conflicts of Interest

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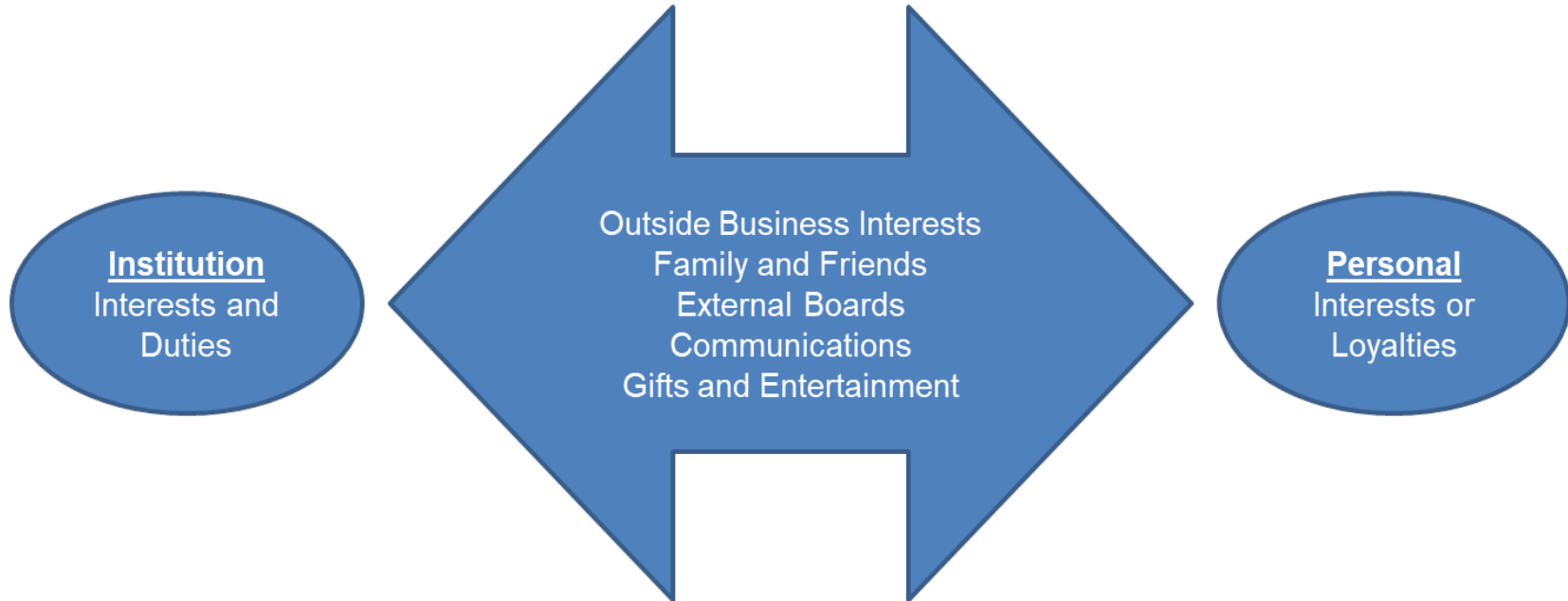
Conflicts of Interest

- Public Officers Law § 74 is intended to prevent state employees from using their state job and official position to benefit themselves or someone else
- The statute not only addresses actual conflicts of interest, but also the appearance of such conflicts when performing a state job

Conflicts of Interest

- Considerations and potential pitfalls
 - Impartiality
 - Confidentiality
 - Misuse of position/resources
 - Business with New York State
 - Integrity
 - Financial conflicts

Conflicts of Interest



Conflicts of Interest

- Remember to avoid interests, business, transactions, professional activities and obligations which are in substantial conflict with the proper discharge of your duties in the public interest

Conflicts of Interest

- **Impartiality:** Maintaining independent judgement with respect to your state job
- **Confidentiality:** Understanding the types of information that may be shared with colleagues and members of the public, as well as not disclosing sensitive information to benefit yourself or someone else
- **Stewardship of state resources:** Preventing you from securing unwarranted privileges or favors for yourself or others based on your state job and not utilizing the resources of the state for your own personal use

Conflicts of Interest

- **Financial conflicts:** Abstaining from personal investments that conflict with your official duties and avoiding transactions with any entity in which you may have a direct or indirect financial interest
- **Integrity standards:** Avoiding situations in which it may appear you could be influenced or would attempt to influence someone else and conducting yourself in a manner that does not raise suspicion among the public that you're personally benefitting from your official position

Conflicts of Interest

- **Business with the state:** As a state officer or employee, you are restricted from contracting for work and/or providing goods and services to entities that are licensed or regulated by your agency
 - Circumstances do exist that may allow you to concurrently work for both

Conflicts of Interest & JCOPE

- **JCOPE enforcement action:** The chief of Systemwide Accessibility for New York City Transit disclosed confidential selection committee information related to a request for proposal to a bidding vendor
 - Under New York State law and rules, would there be any issues with this situation?

Conflicts of Interest & JCOPE

- **JCOPE determination:** The employee admitted to violating Public Officers Law § 74(3)(c).
- In settlement of the matter, he agreed to pay a fine of \$5,000

***Public Officers Law § 74(3)(c):** No officer or employee of a State agency, member of the legislature or legislative employee should disclose confidential information acquired by him in the course of his official duties nor use such information to further his personal interests

Conflicts of Interest & JCOPE

- **JCOPE enforcement action:** An employee of the MTA participated in the contracting process with multiple vendor companies with whom his significant other was either employed or seeking employment
 - Under New York State law and rules, would there be any issues with this situation?

Conflicts of Interest & JCOPE

- **JCOPE determination:** The employee admitted to violating Public Officers Law § 74(3)(c).
- He agreed to pay a fine of \$5,000

***Public Officers Law § 74(3)(d):** No officer or employee of a State agency, member of the legislature or legislative employee should use or attempt to use his official position to secure unwarranted privileges or exemptions for himself or others

Employment Restrictions

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Employment Restrictions

- The purpose of the employment restrictions is to prevent you from using the knowledge, experience, and professional contacts gained throughout your career in state service to benefit either yourself or someone, thereby securing unwarranted privileges, consideration, or action

Employment Restrictions

- These restrictions apply to:
 - Statewide elected officials
 - Members and employees of the legislature
 - Officers and employees of state agencies, departments, boards, etc.
 - Members, directors and employees of public authorities and public benefit corporations

Employment Restrictions

- **Hypothetical situation:**
 - You recently accepted employment with a state agency
 - Your supervisor assigns you to a project involving your former private sector employer—after all, who better than you to work out the details of the project with your new and former colleagues
 - Should you be the one working on this project?

Reverse Two-Year Bar

- The reverse two-year bar would be applicable to this hypothetical situation
- This requires an employee coming to the state from a job in the private sector to be careful about their relationship with their former employer
- Ask “should I step away and recuse myself from any involvement in a particular project or assignment in order to avoid even the appearance of a conflict of interest?”

Reverse Two-Year Bar

- Factors to consider when it comes to the reverse two-year bar include but are not limited to:
 - The role you played at the former private sector job
 - The extent to which you have freedom, in your state job, to decide how to carry out the new assignment
 - How closely your work will be overseen by your supervisor
 - The likelihood of your impartiality in the matter
 - The difficulty in reassigning the matter

30-Day Rule

- *Looking for a new job? Remember the 30–Day rule!*
- A job offer can be considered a gift which would result in both potential violation of Public Officers Law §74 and the gift restrictions found in Public Officers Law §73(5)
- Also, it's possible that the offer was intended to influence you or an agency decision

30-Day Rule

- As a state employee, you must comply with the 30–day rule in two situations:
 1. When you are approached about a job by an individual or a company that has a specific, pending matter that you are working on as part of your state job responsibilities
 2. When you want to approach an individual or entity about a potential job and that individual or entity has a specific, pending matter that you are working on as part of your state job responsibilities

Three Requirements of the 30-Day Rule

1. **NOTIFY:** You must inform your supervisor and your agency's ethics officer immediately after you have been approached about a job (even if you do not intend to pursue the job) or before you reach out, on your own initiative, to the individual or company
 - You may not be aware that the company has privately offered jobs to other members of your team, but if you are all disclosing those offers, your agency may see a pattern you do not

Three Requirements of the 30-Day Rule

2. **RECUSE:** If you intend to pursue a job opportunity, you must recuse yourself from any work relating to the individual or company
 - This means you cannot make any decisions or provide any input into any matter or issue involving the individual or company
 - You may also not be part of any discussions or communications about the matter or issue

Three Requirements of the 30-Day Rule

- 3. WAIT:** You must wait 30 calendar days from the time you (i) inform your supervisor and ethics officer and (ii) recuse yourself from all matters involving the individual or company, before you can have any conversations or communications with the individual or company about the job

Two-Year Bar

- This restriction prohibits a former state employee from appearing/practicing before their previous state agency or rendering services for compensation in any case or matter before their previous state agency for two years after they leave state service
- “Appearing or practicing” generally refers to efforts to influence a decision by your former agency, or to gain information from your agency that is generally not available to the public
- Applies whether you are paid or unpaid

Examples of Violations of the Appearance/ Practice Clause

- Having your name appear on any document submitted to your former agency (including being copied on any letter or e-mail)
- Negotiating a contract with your former agency
- Submitting a grant proposal or application to your former agency
- Representing a client in an audit before your former agency
- Engaging in settlement discussions with your former agency

Examples of Violations of the Appearance/ Practice Clause

- Calling your former agency for guidance on how it might apply a future regulation or application, where generally your former agency would not provide such information to the public
- Making a Freedom of Information Law ("FOIL") request on behalf of a client or contacting key personnel to collect data from your former agency; however, you may make a FOIL request on your own behalf

Two-Year Bar Backroom Services Clause

- Prohibits you from being paid to assist someone behind the scenes with respect to "any case, proceeding, application or other matter" that is before your former agency
 - A physical appearance is not necessary to invoke this prohibition
- Backroom services may be performed free of charge (e.g., on a voluntary, unpaid basis)

Two-Year Bar Backroom Services Clause

- Examples of backroom services include:
 - Developing or helping to develop work product that will be submitted to and reviewed by your former agency, even if your name does not appear on the documents
 - Advising someone on how to handle a "case, proceeding, or application or other matter" that is before your former agency or assisting another person in the creation or development of a plan or strategy intended to influence a decision by your former agency

Two-Year Bar & the Executive Chamber

- There is a special rule for former officers or employees of the Executive Chamber
 - They are prohibited from “**appearing or practicing**” before the Executive Chamber **or any state agency** for a period of two years
 - However, former Executive Chamber employees are permitted to perform backroom services for other state agencies during this time period

Lifetime Bar

- After you leave state service, the lifetime bar prohibits you from working on:
 - Any specific matter in which you were “directly concerned” and “personally participated”
 - Any other matter that was under your “active consideration” as a state employee

Lifetime Bar

- Analysis of “Directly Concerned/Personally Participated/Active Consideration”:
 - Personal participation and direct concern in a specific case requires more than an awareness of or informal conversation concerning the circumstances
 - Mere acquaintance with or knowledge of a fact or circumstance is insufficient to trigger the lifetime bar
 - For example, your presence at a meeting where an issue is discussed and you did not vote on the issue, although other colleagues did, generally does not rise to the level of personal participation

Lifetime Bar

- When determining how the lifetime bar applies to you, JCOPE will consider:
 - Whether you had a role in affecting the outcome of the transaction as an “active participant or decision maker”
 - The level of responsibility you had while in state service is suggestive of your active involvement
 - Significant transactions handled by senior staff are imputed to the head of an agency
 - A former agency head cannot work on the same transaction handled by top level staff

Exceptions to the Two-Year & Lifetime Bars

- The two-year bar and lifetime bar may prevent you from accepting a job at a private company that does business with your former agency
- Exceptions:
 - Government-to-Government
 - Continuity of Care
 - JCOPE Certificate of Exemption

Violations of Post-Employment Restrictions

- Consequences of violating the post-employment restrictions:
 - Knowing and intentional violations of the post-employment restrictions may result in a civil penalty of up to \$40,000 and the value of any gift, compensation or benefit received
- *Option: Ask for an opinion first*

Employment Restrictions & JCOPE

- **JCOPE enforcement action:** Shortly after leaving Roswell Park Cancer Institute (RPCI), a former assistant vice president contracted with RPCI to work on several projects
 - Under New York State law and rules, would there be any issues with this situation?

Employment Restrictions & JCOPE

- **JCOPE determination:** Public Officer's Law §73(8) prohibits former state employees from appearing or practicing before his or her state agency within two years of leaving State service
- The former RPCI employee paid \$2,500 under a settlement with the Commission for violations of the state's two-year bar on appearing or practicing before the employee's former agency

Outside Activities

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Outside Activities

- An outside activity is generally an employment, business, or professional activity that is not related to your official state duties
- An outside activity may be an occupation, whether paid or unpaid, ownership of a business, membership on a board, volunteer work, or even a second job with the state
- An outside activity must occur outside of your regular work hours and without utilizing any government resources

Outside Activities

- Before beginning an outside activity, you should evaluate whether it is permissible under:
 - The provisions of Public Officers Law § 73
 - The conflict-of-interest rules of Public Officers Law § 74
 - The rules and policies of your agency
- Seek advice from your ethics officer concerning the appropriateness of the activity, and
- Obtain all necessary approvals

Private Business Owners

- State officers and employees who are also private business owners and want to provide goods or services to the state must follow the state's procurement process
- This process requires public notice, competitive bidding, and the awarding of a contract if the value of the goods or services provided to the state exceeds \$25.00

Prohibited Activities

- State officers and employees are prohibited from doing certain things before state agencies for compensation:
 - Lobbying
 - Grant proceedings
 - Public Service Law franchise proceedings
 - Rate-making proceedings
 - Licensing or permitting proceedings
 - Purchasing, selling, renting, or leasing real property, goods or services

Outside Activities & JCOPE

- **JCOPE enforcement action:** A former Empire State Development Corporation (ESDC) employee consulted with and sought state grants for a private health care company while she was also employed by the state
 - Under New York State law and rules, would there be any issues with this situation?

Outside Activities & JCOPE

- **JCOPE determination:** Public Officers Law §73(7) bars a State employee from receiving compensation for services related to, among other things, grants or contracts from the state
- The employee agreed to pay a \$5,000 fine as part of a settlement with JCOPE

Outside Activities & JCOPE

- **JCOPE enforcement action:** A former employee at the Metropolitan Transportation Authority (“MTA”) admitted to failing to get approval for his outside business activities and failing to disclose those activities and his outside income in his annual financial disclosure statements
- He also admitted that he used state resources to engage in his outside business activities

Outside Activities & JCOPE

- The employee resigned after the investigation
- The state employee agreed to pay a \$4,000 fine and admitted he violated two clauses in the Public Officers Law
 - Public Officers Law §§ 73-a, which requires certain state employees to accurately disclose their outside activities and income
 - Public Officers Law §§ 74(3)(d), which prohibits state employees from using or attempting to use their official position to secure unwarranted privileges or exemptions for themselves or others

Prohibition of Political Activity

- Certain political activity in the workplace is prohibited by:
 - Civil Service Law § 107
 - Public Officers Law § 73(17)
 - Public Officers Law § 74
- In addition, JCOPE's outside activity regulations prohibit certain outside political activities

Prohibition of Political Activity

- Examples of prohibited political activities in the workplace:
 - Circulating a candidate's nominating petition within your office
 - Using the computer in your office after work to produce a brochure in support of a candidate's campaign
 - Sending e-mail invitations to campaign events to friends within the agency
 - Using New York State internet connections to forward e-mail messages received from a partisan campaign or someone supporting a partisan candidate

Restrictions in Political Activity

- A potential employee cannot be asked about their political party affiliation, regardless of whether that applicant made any political contributions or how that applicant voted
- No person can use his or her official state position to coerce, intimidate or influence other state officers or employees for any political purpose, action or contribution, or interfere with any election
- State offices may not be used for soliciting or collecting any political contributions

Restrictions in Political Activity

- No state officer or employee may corruptly use or promise to use any official authority or influence in exchange for political action on another's part
- Policymakers, including those in an unpaid or per diem position, are prohibited from serving as:
 - An officer of any political party or political organization
 - A member of any political party committee

Offices of the New York State Inspector General

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NYS Inspector General Lucy Lang



- Appointed Inspector General on November 29, 2021
- Committed to Transparency and Accountability
- Previously served as the Director of Institute for Innovation in Prosecution
- Former Assistant District Attorney in the Manhattan District Attorney's Office

Offices of the NYS Inspector General

- Office of the New York State Inspector General
- Office of the New York State Welfare Inspector General
- Office of the New York State Workers' Compensation Fraud Inspector General
- Office of the New York State Gaming Inspector General

Offices of the NYS Inspector General

- Executive Law Article 4-A gives the State Inspector General authority to investigate allegations of corruption, fraud, criminal activity, conflicts of interest or abuse in “covered agencies,” i.e.:
 - Executive branch agencies, departments, divisions, officers, boards and commissions
 - Certain public authorities and public benefit corporations

Offices of the NYS Inspector General

- The State Inspector General also has the power to:
 - Recommend remedial action to prevent or eliminate corruption, fraud, criminal activity, conflicts of interest or abuse
 - Establish training programs for state officers and employees
 - Review and examine policies and procedures of covered agencies

Offices of the NYS Inspector General

- Section 55 orders all New York State employees and officers in covered agencies to report corruption, fraud, criminal activity, conflicts of interest or abuse by another state employee or officer, or by a person having business dealings with a covered agency
- The knowing failure of any state employee/officer to report shall be cause for removal from office or employment

Welfare Inspection General: Jurisdiction

The Welfare Inspector General's mission is to investigate fraud, abuse, and illegal acts perpetrated within NYS's public assistance system including programs administered and funded by NYS, the federal government, local social services districts and contractors or recipients of public assistance services.

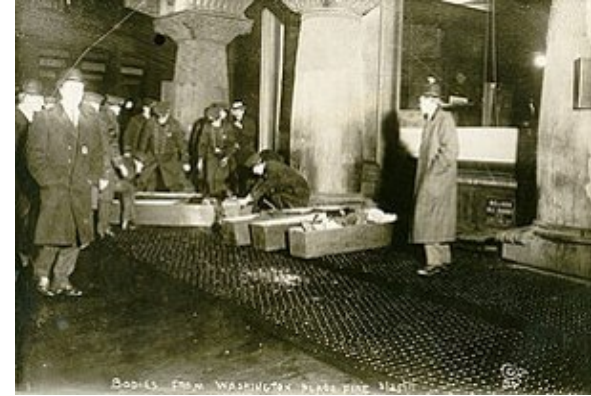


Common Welfare Fraud Schemes

- Employee Fraud
- Single Issuance Fraud
- SNAP Trafficking
- Concealed Income
- Identity Theft
- Women/Man of the Household
- Provider Fraud



Workers' Compensation Fraud Inspector General



Workers' Compensation Fraud Inspector General

NYS Executive Law Section 136

- Investigate violations of the laws and regulations pertaining to the operation of the workers' compensation system
- Conduct and supervise investigations within and without New York State of possible fraud and other violations of laws, rules and regulations pertaining to the workers' compensation system
- Issue subpoenas, issue oaths or affirmations take testimony or compel the production of materials relevant to an investigation

NYS Gaming Inspector General



NYS Gaming Inspector General

New York Racing Parimutuel Wagering & Breeding Law Section 131

- Investigate allegations of corruption, fraud, criminal activity, conflicts of interest or abuse in the Commission
- Periodically review and examine policies and procedures of the commission
- Make recommendations to combat corruption, fraud, criminal activity, conflicts of interest or abuse
- Referring when, necessary, its findings for disciplinary action or criminal prosecution
- Liase with other law enforcement agencies

Offices of the NYS Inspector General

- The Offices of the New York State Inspector General has locations in Albany, New York City, Buffalo, Syracuse, and Hauppauge, and employs:
 - Investigators
 - Auditors
 - Attorneys
 - Forensic Accountants
 - Information Technology Specialists

Offices of the NYS Inspector General - Complaints

- State employees, concerned citizens, entities doing business with New York State, and anyone else who would like to make a complaint to the Inspector General can do so by phone, email, regular mail, through a web portal, or in person
- Complaints are handled by the Inspector General's Case Management Unit
- All complaints are reviewed by the Inspector General, her Executive Staff, and senior management

Offices of the NYS Inspector General

- The Inspector General investigates:
 - Theft/misuse of state property
 - Irregularities in awarding contracts/grants
 - Falsification of records and making material misrepresentations of fact
 - Giving/receiving bribes or unlawful gifts
 - Disclosing confidential information
 - Conflicts of interest

Offices of the NYS Inspector General

- The Inspector General also reviews and comments on:
 - Policies
 - Procedures
 - Manuals
 - Time management systems
 - Vehicle use logs

Offices of the NYS Inspector General

- There are a variety of different outcomes at the end of an Inspector General investigation, including:
 - Reports with findings and recommendations
 - Policy changes/corrective action
 - Training
 - Ethics referrals and sanctions
 - Disciplinary actions
 - Referrals to prosecutors/arrests
 - Debarment of contractors

Offices of the NYS Inspector General – Sample Case 1

- Office of Medicaid Inspector General employee oversaw contract with a publicly traded company
- State contract was valued at up to \$120 million
- Employee accepted meals and alcoholic beverages from the company, including a bottle of Jim Beam
- Employee used his official position to provide the company with testimonials on the internet and elsewhere

Offices of the NYS Inspector General – Sample Case 1

- Company paid to fly employee to and from Texas for an interview and offered him a job
- Employee accepted the offer – at a salary of \$135,000 per year plus a bonus – without consulting his agency, even though he was still overseeing the agency’s contract with the company
- Agency placed employee on leave and he eventually retired, forfeiting 15 vacation days

Offices of the NYS Inspector General – Sample Case 1

- The Inspector General issued a public report and the matter was also referred to JCOPE
- JCOPE settled with both the employee and the company
- The company paid \$75,000 to resolve the case
- The employee paid \$14,000 to resolve his case



Offices of the NYS Inspector General – Sample Case 2

- Two employees of the Public Service Commission, a five-person board that regulates New York State utilities, accepted thousands of dollars in gifts from utility executives
- The gifts included 30 games of golf
- Both employees resigned, and one of the utilities involved was fined \$1.6 million dollars

How to Report Misconduct or File a Complaint

Offices of the Inspector General
1800.DO.RIGHT / 1.800.367.4448

www.ig.ny.gov

Inspector.general@ig.ny.gov



Questions?

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Contact Information

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