



CITY OF NEW YORK CONFLICTS OF INTEREST BOARD

2 Lafayette Street, Suite 1010

New York, New York 10007

(212) 442-1400

Fax: (212) 442-1407 TDD: (212) 442-1443

Steven B. Rosenfeld
Chair/Board Member

Monica Blum
Board Member

Andrew Irving
Board Member

Burton Lehman
Board Member

Erika Thomas-Yuille
Board Member

Mark Davies
Executive Director

Wayne G. Hawley
*Deputy Executive Director
& General Counsel*

Carolyn Lisa Miller
Director of Enforcement

Julia Davis
*Special Counsel &
Director of Annual
Disclosure*

Alex Kipp
*Director of Training &
Education*

Varuni Bhagwant
*Director of
Administration*

Derick Yu
*Director of Information
Technology*

IN THE MATTER OF RICHARD BUTZ COIB CASE NO. 2012-712b JANUARY 29, 2013

SUMMARY: The Board issued public warning letters to three New York City Department of Education employees for engaging in prohibited superior-subordinate financial relationships. First, the Board issued a public warning letter to an Assistant Principal who: (a) in 2007, loaned \$1,000 to a Shop Teacher whom she supervised and in 2009 loaned that same Teacher \$500; (b) in 2010, loaned \$500 to a School Aide whom she supervised and in 2011 loaned that same School Aide \$1,000; and (c) in 2012, loaned \$500 to a Math Teacher whom she supervised. The Board also issued public warning letters to the School Aide and the Math Teacher. At the time of the issuance of the warning letters, all the loans had been repaid. *COIB v. De Louise*, COIB Case No. 2012-712 (2013); *COIB v. Butz*, COIB Case No. 2012-712b (2013); *COIB v. Colon*, COIB Case No. 2012-712c (2013).

Re: COIB Case No. 2012-712b

Dear Mr. Butz:

It has come to the attention of the New York City Conflicts of Interest Board (“the Board”) that you violated the City of New York’s conflicts of interest law, contained in Chapter 68 of the New York City Charter (“Chapter 68”) and the Rules of the Board.

You are employed by the New York City Department of Education (“DOE”) as a Math Teacher and the coach of the basketball and baseball teams at George Westinghouse Career and Technical Education High School (“Westinghouse”) in Brooklyn. In April 2012, you borrowed \$500 from Westinghouse Assistant Principal Denise De Louise. By November 30, 2012, you will have repaid that loan.

Section 2604(b)(14) of Chapter 68 of the New York City Charter (“Chapter 68”) states: “No public servant shall enter into any business or financial relationship with another public servant who is a superior or subordinate of such public servant.” De Louise is in charge of security at Westinghouse and in that capacity has supervisory authority over all

Westinghouse employees; she also serves as the school's athletic director and in that capacity directly supervises all Westinghouse coaches, including you. Thus, De Louise is your superior within the meaning of Chapter 68. Therefore, when you entered into the loan arrangement with De Louise, you entered into a financial relationship with your DOE superior, in violation of City Charter § 2604(b)(14).

While the Board has concluded that no further enforcement action is required in this matter under the particular circumstances presented here, it is issuing this public warning letter in order 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 Charter and the Board Rules. Precise compliance with these provisions avoids even the appearance of impropriety and helps to 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.

If you have any questions regarding the conflicts of interest law, or the terms of this letter, please contact the Conflicts of Interest Board staff at (212) 442-1400.

Very truly yours,

/s/

Steven B Rosenfeld
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.

I further agree that this warning letter shall constitute a formal reprimand and a copy of the warning letter will be placed in my personnel file at DOE.

/s/

RICHARD BUTZ

/s/

MITCHELL H. RUBINSTEIN
Senior Counsel
New York State United Teachers
Counsel for Richard Butz

The New York City Department of Education accepts the publication of this document and its placement, as a formal reprimand, in the personnel file of Richard Butz as a final disposition of this matter and affirmatively states that it will take no further action against Richard Butz based upon the facts and circumstances set forth above.

/s/

LAURA HEMANS BRANTLEY
Acting Deputy Counsel to the Chancellor
New York City Department of Education