FOR IMMEDIATE RELEASE

January 9, 2003

TEACHER FINED $7,500 FOR CERTIFYING THE RECEIPT OF GOODS IN A CONTRACT BETWEEN HER HUSBAND’S COMPANY AND DEPARTMENT OF EDUCATION

The New York City Conflicts of Interest Board (the “Board”) and the New York City Department of Education (“Dept. of Ed.”) have concluded a three-way settlement of a case involving a Dept. of Ed. teacher who was involved in the hiring and payment of her husband’s company to perform services for her agency. This settlement comes as a result of an investigation conducted by the Special Commissioner of Investigation for the New York City School District.

Dept. of Ed. teacher Cathy Mumford admitted that while she was a teacher and Project ARTS Program Liaison, she had a conflict of interest when she signed a purchase order certifying that her agency “received as ordered” goods from Soul’d Out Promotions (“Soul’d Out”), a company owned and operated by her husband. As Project ARTS Program Liaison, Ms. Mumford’s duties included providing information and proposals to the principal for the expenditure of Project ARTS funds regarding art education equipment, supplies, and services. The purchase order indicated that Soul’d Out was hired to compose a school song for Ms. Mumford’s school and to conduct workshops. Ms. Mumford signed the purchase order for purposes of remitting the order for payment to Soul’d Out. The Dept. of Ed. paid Ms. Mumford’s husband $3,500 for the school song, which they did not receive until approximately six months after Ms. Mumford certified the receipt of the song. In addition, Ms. Mumford acknowledged that she was aware that Soul’d Out was engaged in business dealings with another Dept of Ed. school, from which it received approximately $25,000.

The Dept. of Ed. fined Ms. Mumford $5,000 for the improper payment of $3,500 to Soul’d Out, and Ms. Mumford agreed to pay a fine of $2,500 for violating the conflicts of interest law, amounting to a fine totaling $7,500.

Ms. Mumford acknowledged that she violated New York City Charter provisions that prohibit public servants from misusing their official positions for private gain for themselves or their family members, and from having an interest in a firm which the public servant knows is

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engaged in business dealings with his or her own agency. Ms. Mumford had an imputed ownership in her husband’s company, which was engaged in business with the Dept. of Ed.

A copy of the Disposition is attached.

The Board took the occasion of this Disposition to remind City officials that public servants whose spouses have business dealings with the City should seek the advice of the Board, and must take no official action to obtain a financial gain or contract or other private or personal advantage for themselves or their family members. The Board’s staff can be reached at 212-442-1400 for advice about the conflicts of interest law.

Richard J. Condon, Special Commissioner of Investigation for the New York City School District, said: “A major part of the investigative workload of the Special Commissioner’s Office is investigating possible conflicts of interest by employees of the Department of Education and assisting the Conflicts of Interest Board and the Department of Education in resolving these important matters.”

Joel Klein, Chancellor of the Dept. of Ed., said: “We at the Department of Education take the conflicts of interest law seriously. Teachers should not become involved in Department of Education business matters involving their family members.”

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 conflicts of interest law. The Board is composed of five members, appointed by the Mayor and confirmed by the Council. Board penalties are civil fines.

Joan R. Salzman, Deputy Executive Director & Chief of Enforcement, Astrid B. Gloade, Deputy Counsel for Enforcement, and Isabeth A. Gluck, Associate Counsel for Enforcement, handled this case for the Board. The Board thanks Chancellor Klein, Chad Vignola, General Counsel to the Chancellor, Theresa Europe, Director of the Office of Special Investigations, and Susan Jalowski, Office for Legal Services, for their cooperation and assistance in resolving this matter. The Board gratefully acknowledges the investigative work and support of the New York City Department of Investigation, Rose Gill Hearn, Commissioner, the Office of the Special Commissioner of Investigation for the New York City School District (“SCI”), Richard J. Condon, Special Commissioner, Regina A. Loughran, First Deputy Commissioner, and Eileen Daly, an attorney at SCI, in this matter.

The Board does not comment on enforcement dispositions, except as set forth above. For copies of any additional public documents, e-mail davies@coib.nyc.gov.