

*New York City Housing Authority
Office of the Inspector General*



*Kelvin Jeremiah
Acting Inspector General*

IDENTIFYING AND PREVENTING CORRUPTION

Remember....Under Executive Order 16 ALL NYCHA Employees
Are Obligated To Report Any Information They
Have Concerning Corruption or Criminal Activity
Directly To The NYCHA Inspector General Office

AndThe Law Protects NYCHA Employees Who Make Such Good Faith Reports
To the NYCHA Inspector General's Office From Any Type Of Retaliation

*If You Have Information of Possible Wrongdoing Call:
The NYCHA Office of the Inspector General
At 212-306-3355 or 212-306-3356*

Or E-Mail Us At
ig@nycha.nyc.gov

THE NYCHA OFFICE OF THE INSPECTOR GENERAL (OIG)

The NYCHA OIG is responsible for eliminating crime, corruption, conflicts of interest, unethical conduct, misconduct and incompetence by NYCHA, its employees, officers, and persons doing business with, or receiving funds from or through NYCHA.

The OIG is part of the New York City Department of Investigation (DOI). The OIG is a law enforcement agency comprised of criminal attorneys and investigators (many of the latter have "peace officer" designations), forensic accountants, corruption prevention analysts, and support staff.

As a NYCHA employee, you are **required** to report promptly, any knowledge or information you may have relating to corrupt or criminal activities to the OIG.

The failure of any NYCHA employee to report, as required, constitutes cause for dismissal or other appropriate penalty. The contact information for the OIG is at the beginning of this handbook.

The OIG has the authority to remove original records from any City agency.

PROTECTION FOR WHISTLEBLOWERS

As already stated, NYCHA employees have an affirmative responsibility to promptly report any knowledge or information they might have, relating to corruption or criminal activity occurring in their agency, to the OIG. Additionally, City law (New York Administrative Code 12-113) protects employees who "blow the whistle" on corruption; such as fraud, criminal activity, and/or conflicts of interest within NYCHA. In fact, this protection may be extended to a NYCHA employee who makes a good faith report of corruption to the OIG, a City Council member, the Public Advocate, or the Comptroller.

Under the City Whistleblower Law, it is unlawful for an officer or employee of NYCHA to retaliate against anyone who makes a report of corruption by taking an adverse personnel action against a "whistleblower". Therefore, the "whistleblower" cannot be fired, demoted or disciplined as a result of their having reported corruption to one of the four authorities stated above.

If you think you have been retaliated against because of a report you have made, you should report that fact to the OIG. If, after an investigation, the OIG determines that you have been subjected to retaliation as a result of a good faith report of corruption, it will recommend appropriate remedial action (such as reinstatement) to NYCHA

OIG Investigations

The OIG primarily conducts investigations in three areas:

- 1) Contractor Fraud
- 2) Tenant Fraud
- 3) Employee Misconduct

CORRUPTION AWARENESS AND REPORTING GUIDELINES

What is a Bribe? (NYS Penal Law, Section 200.00)

A public servant is guilty of bribe receiving when he/she solicits, accepts or agrees to accept any benefit from another person upon an agreement or understanding that his/her vote, opinion, judgment, action, decision or exercise of discretion as a public servant will thereby be influenced.

Bribery includes any offer of a benefit to a public servant on the understanding that the public servant's official action will be influenced. NYCHA employees are public servants.

Some examples of bribery and bribe receiving situations include:

A NYCHA employee, whose job it is to conduct inspections of a contractor's work, offers to refrain from reporting unsatisfactory work on a building in exchange for money or some other thing of value (e.g., supplies; free or discounted work on the employee's house; jewelry; a car; a trip; lunch).

A contractor offers to pay a NYCHA employee a percentage of each contract or open market order the contractor receives from NYCHA in exchange for being guaranteed future contracts.

An inspector agrees to allow a firm to dump hazardous waste into a local river in exchange for a cash payment.

What is a Gratuity? (NYS Penal Law, Section 200.35)

A public servant is guilty of receiving unlawful gratuities when he solicits, accepts or agrees to accept any benefit for having engaged in official conduct which he was required or authorized to perform, and for which he was not entitled to any special or additional compensation.

A gratuity is any unauthorized payment or other benefit, even a "tip" or lunch money, beyond the salary and official benefits paid by NYCHA, to public servants for doing anything in connection with their job.

It may solely be a reward to an employee in appreciation for performing his work. Often the

payment of gratuities precedes more elaborate bribery schemes. Gratuities are frequently given to gain the confidence of the target of a bribe.

Some examples of unlawful gratuities include:

- A private company gives a NYCHA employee money as a “thank you” for reviewing its bid package.
- A vendor gives a NYCHA employee a discount on the purchase of supplies after the employee purchases items for use at NYCHA-owned properties and facilities.
- An Inspector who inspected a particular landlord's buildings receives from the landlord the free use of an unoccupied apartment.
- A NYCHA tenant gives a NYCHA carpenter extra money as a “thank you” for doing his job.

What is Official Misconduct? (NYS Penal Law, Section 195.00)

A public servant is guilty of official misconduct when he/she intends to obtain a benefit or to injure or deprive another person of a benefit and knowingly commits an unauthorized act relating to his official functions, or knowingly refrains from performing a duty that is clearly mandated by law or by his job.

Some examples of official misconduct include:

A NYCHA inspector gives an unjustified unsatisfactory rating to a contractor because of an argument with one of the contractor’s employees.

A NYCHA employee who has his own company submits and reviews his company's proposal for a NYCHA contract.

What is a Conflict of Interest? (NYC Charter, Chapter 68)

Eight Things That Every NYCHA Employee Should Know About The Conflicts Of Interest (COIB) Law:

1) NYCHA Resources

You can **NOT** use NYCHA resources, including time, staff, equipment, or letterhead, for any non-NYCHA purpose.

2) Gifts, Tips, and Gratuities

You can **NOT** accept a valuable gift from any NYCHA vendor, or accept anything of value from any non-NYCHA source for performing your NYCHA job.

3) Moonlighting

You need NYCHA and COIB approval to have a second job with a firm doing business with

the City.

4) Coercion Protection

You can **NOT** enter into any sort of private financial relationship with a superior or subordinate.

5) Political Activities

You can **NOT** ask a subordinate to work on a political campaign or make a political contribution.

6) Job Hunting

You can **NOT** discuss possible future employment with a firm you are currently dealing with in your NYCHA job.

7) Volunteer Work

You can **NOT** take part in a not-for-profit organization's business dealings with NYCHA or any City agency.

8) Post - Employment

After you leave NYCHA, you can NOT appear before NYCHA on behalf of a private entity for one year. If you were personally and substantially involved in a particular matter on behalf of NYCHA, you are forever banned from appearing before NYCHA on behalf of a private employer, on that matter. Lastly, you may never disclose or use for private advantage any confidential NYCHA information that you learn while working at NYCHA.

9) Second Jobs

Although NYCHA permits its employees to work second jobs, your second job cannot be in conflict with your duties at NYCHA.

- All NYCHA employees who work second jobs must report their employment via email to the Law Department's Gary Nester and copy the OIG. Gary Nester's email address is listed on the NYCHA directory and the OIG's email address is ig@nycha.nyc.gov
- NYCHA's Law Department and the Conflicts of Interest Board will determine whether a NYCHA employee's second job conflicts with his/her NYCHA employment. NYCHA employees should not make this determination themselves and should always inform Mr. Nester of ANY second job.

PENALTIES: include fines of **up to \$10,000** per violation, and suspension or removal from office. In addition, the District Attorney can bring criminal charges for certain conflicts of interest violations.

Some **examples of conflicts of interest** include:

- An inspector takes a part-time job with a contractor he inspects;

- A NYCHA employee uses the contacts he has at NYCHA to obtaining housing for his brother, without going through the proper screening procedures;
- A NYCHA contract manager owns shares of a company whose contract she manages.

If you have any questions about a conflicts of interest matter, contact the Conflicts of Interest Board for information and advice at (212) 442-1400.

CORRUPTION REPORTING PROCEDURES:

If you have any grounds to suspect that anyone is involved in any corrupt, criminal or otherwise inappropriate behavior, you **must** do the following:

1. Immediately notify the OIG; and
2. Keep the incident **Confidential** - do not discuss it with anyone other than the OIG representatives.

The OIG will conduct an independent investigation based on your report and will ensure that criminal and/or administrative action is taken against the offenders, where appropriate.

Recognizing a Bribe Offer

The offering, giving, solicitation or acceptance of a bribe or gratuity, to or by a NYCHA employee - and **this means you** - is a violation of the New York State Penal Law and other applicable federal statutes. It is important to note that an item of value does not have to exchange hands for the crime to have been committed. The mere offer to solicit the bribe or gratuity is a criminal activity.

Why Should You Report a Bribe Attempt?

- 1) You may feel that it is too much trouble to report a bribe offer. Remember, you are mandated by law to report bribe offers, as well as other corrupt activity, and are subject to dismissal or disciplinary action for failing to do so.
- 2) The person making the offer may **already be under investigation** or may be **taking part in an undercover operation** - failure to report the offer may be considered as evidence against you in a later criminal prosecution.
- 3) If you fail to report the offer, the briber may continue to make such offers in the future, and ultimately you may succumb to the temptation.
- 4) If a person who offered you a bribe, or offered another public servant a bribe in your presence is later prosecuted, this person **may implicate you** in an attempt to help

himself in his criminal case. If you had reported the bribe offer, you might have avoided making yourself the subject of a later criminal investigation.

- 5) More importantly, each of us should take the responsibility to protect each other against those that would corrupt the systems and contribute to hazardous conditions which ultimately have a negative affect on us all.

NYCHA Anti-Corruption Efforts

Corruption scandals have resulted in greater efforts by the OIG to detect, prevent and punish such activity. This can most clearly be seen by the following:

A) The staff, record-keeping facilities and surveillance equipment of the OIG have been greatly expanded. NYCHA employees face the certainty of coming into periodic contact with these people, via undercover operations or double-check and audits on individual's work.

B) The most severe penalties possible, including criminal prosecution, will be pursued against anyone involved in corruption.

RISKS

The risks everyone faces in participating in corruption or not reporting it far outweigh any monetary financial gains obtained. These risks include:

- Arrest and criminal prosecution
- Time in jail
- Substantial fines
- Loss of your job
- Loss of your pension

HOW DO YOU REPORT CORRUPTION TO THE OIG

During office hours someone is always available to handle complaints and allegations. Reports of corruption can be made by telephone (212/306-3356), by fax (212/306-6484), by e-mail (www.ig@nycha.nyc.gov), by writing a letter (NYCHA Office of the Inspector General, 250 Broadway, 28th Floor, New York, N.Y. 10007) or in person.

Some things to remember when filing your report:

- Although anonymous complaints are accepted, it is helpful if a person does provide a name and call back number in case follow-up questions are necessary.
- The OIG does everything possible to protect the complainant's request for confidentiality.

- We encourage employees to report even the suspicion of wrongdoing. It is the OIG's job to evaluate the information - you need not become investigators. The sooner the OIG is told of an allegation, the better. Delays in reporting can hinder an investigation.
- You should not discuss OIG matters with anyone - especially if you have requested confidential status from us.
- Reporting an allegation to departments within NYCHA that may handle issues of corruption or criminal activity is NOT the same as reporting an allegation to the OIG. The OIG is a separate and independent entity than NYCHA. OIG personnel usually investigate complaints alleging criminal conduct completely independent from NYCHA and the OIG is not supervised by NYCHA.

NEW YORK CITY HOUSING AUTHORITY
Office of the Inspector General

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