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LETIZIA TAGLIAFIERRO
INSPECTOR GENERAL

April 27, 2021

Dr. Jim Malatras
Chancellor
State University of New York
SUNY System Administration
State University Plaza
Albany, New York 12246

Re: NYS IG 3802-032-2018

Dear Chancellor Malatras:

On November 14, 2018, the State University of New York (SUNY) referred a complaint to the Offices of the New York State Inspector General alleging that SUNY College of Environmental Science and Forestry (ESF) Board of Trustees Member [REDACTED] had a potential conflict of interest regarding her service on the Board and her ownership interest in [REDACTED] (hereinafter collectively referred to as [REDACTED]). During the investigation of this allegation, the Inspector General uncovered a second potential conflict of interest involving [REDACTED] involvement with the company [REDACTED].

The Inspector General investigated this matter by reviewing documents provided by SUNY, including emails and letters pertaining to an electric car charging station, SUNY policies and procedures regarding conflicts of interest and ethical conduct, local news reports, and SEC

filings. The Inspector General also interviewed [REDACTED].

The investigation found potential conflicts of interest between [REDACTED] role on the ESF Board of Trustees and her affiliation with two public companies, [REDACTED] and [REDACTED]. [REDACTED] is a co-founder and managing partner of [REDACTED] which had an interest in an electric car charging station located on SUNY property. [REDACTED] has also claimed to be a shareholder of [REDACTED], an inland port located in Manlius.

The investigation also found that SUNY's Code of Ethical Conduct for University Officers, which applies to ESF Board of Trustees members among others, does not contain guidance or procedures regarding recusals in the event a Board member determines they have a conflict of interest. Additionally, although Board members are provided a copy of the code upon appointment, ESF does not provide any initial or continuing conflict of interest training to board members.

Based upon the findings of this investigation, I recommend that SUNY promulgate policy addressing recusals when conflicts of interest are identified and disseminate the same to its campuses, including ESF, for implementation and training of board members. This training should include instruction as to New York State Public Officers Law and relevant SUNY policies and focus on identifying potential conflicts of interest, including those that may arise for board members at its colleges and universities. In addition, SUNY should develop and implement formal ethics training for members appointed to boards at its campuses, including members of the ESF Board of Trustees, as well as provide periodic retraining.

Please advise me of any action taken by SUNY in response to these recommendations within 45 days of the date of this letter. If you require further information, please contact Deputy Inspector General Jeffrey Hagen at 716.847.7102.

Sincerely,

[REDACTED]

Letizia Tagliaferro
Inspector General

Cc: Sandra M. Casey, Esq.
General Counsel-in-Charge
SUNY System Administration



Office of General Counsel

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June 18, 2021

Letizia Tagliafierro
Inspector General
Office of the Inspector General
Empire State Plaza
Agency Building 2 16th Floor
Albany, New York 12223

RE: NYS IG 3802-032-2018

Dear Ms. Tagliafierro:

Please accept this as a response to your April 27, 2021 letter to Dr. Jim Malatras, Chancellor of the State University of New York ("SUNY"). Your letter detailed your investigation (NYS IG 3802-32-2018) into a complaint alleging potential conflicts involving a member of the Board of Trustees for the SUNY College of Environmental Science and Forestry ("ESF") regarding the member's role within outside firms contracting to provide goods and services to the campus. SUNY appreciates the thorough investigation conducted by the Office of the Inspector General and carefully considered each recommendation and how to best implement them at ESF and SUNY. Preserving public confidence in government administration and contracting is critical, and SUNY is committed to promptly addressing all potential deficiencies in policies and procedures.

Listed below is a more detailed discussion of the specific recommendations in the aforementioned letter:

Recommendation 1: SUNY [should] promulgate policy addressing recusals when conflicts of interest are identified and disseminate the same to its campuses, including ESF, for implementation and training of board members. This training should include instruction as to New York State Public Officers Law and relevant SUNY policies and focus on identifying potential conflicts of interest, including those that may arise for board members at its colleges and universities.

Response: SUNY will be updating its current policies (Code of Ethical Conduct for University Officers- Doc. No. 6000 and Conflict of Interest policy, covering staff and faculty- Doc. No. 6001) to highlight the importance of recusals. These policies do incorporate by reference the provisions of Public Officers Law Sections 73 and 74. Accordingly, we will provide guidance that potential conflicts between members' roles may be addressed by disclosure of the potential conflict coupled with recusals from taking action or participating in activities that would result in a prohibited activity under Public Officers Law and SUNY policy.

Recommendation 2: SUNY should develop and implement formal ethics training for members appointed to boards at its campuses, including members of the ESF Board of Trustees, as well as provide periodic retraining.

Response: Although SUNY, through its Office of General Counsel and system of attorneys, does provide periodic training to members appointed to boards at its campuses and remains available for ongoing consultation and guidance, a renewed effort will be made to train members of the councils, including the ESF Board of Trustees, in the coming months and to establish a schedule for training new members as they take office.

If you have any questions, concerns or need additional information, please contact

Sincerely,

A large black rectangular redaction box covers the signature area.

Sandra M. Casey
Deputy General Counsel

Copy: Chancellor Malatras
General Counsel Cissé-Green