

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
BOARD OF ETHICS AND GOVERNMENT ACCOUNTABILITY**



Office of Government Ethics

In Re: S. [REDACTED] Newaldass
Case No.: 1246-001

NEGOTIATED DISPOSITION

Pursuant to section 221(a)(4)(E)¹ of the Board of Ethics and Government Accountability Establishment and Comprehensive Ethics Reform Amendment Act of 2011 ("Ethics Act"), effective April 27, 2012, D.C. Law 19-124, D.C. Official Code § 1-1161.01 et seq., the Office of Government Ethics (the "Office") hereby enters into this Public Negotiated Disposition with the Respondent, S. Newaldass. Respondent agrees that the resulting disposition is a settlement of the above-titled action, detailed as follows:

I. FINDINGS OF FACT

Respondent was a Project Manager for the Office of the Deputy Mayor for Planning and Economic Development ("DMPED") from July 31, 2012, to October 3, 2014. Respondent lived in housing for which he received a housing subsidy from the United States Department of Housing and Urban Development ("HUD") for his rental unit in the Sursam Corda Cooperative. He went through his initial certification process in June 2012, prior to working for DMPED, and was required to go through an annual recertification every June thereafter to verify his continuing eligibility to receive a HUD housing subsidy.

In September 2012, Respondent's wife orally informed [REDACTED], Sursam Corda Cooperative Property Manager, that Respondent had new employment at a higher salary. Mr. [REDACTED] told Respondent's wife that she did not have to worry about the salary increase and that it would be processed in June 2013, during their recertification process. Respondent was under the impression that, due to the conversation between his wife and Mr. [REDACTED], he had satisfied his HUD reporting requirement.

HUD requires that those receiving HUD housing subsidies report directly to HUD within ten days if their household income cumulatively increases by \$200 or more per month. When Respondent began working for DMPED in July 2012, his income increased by \$23,308. He, therefore, was required to report that salary increase directly to HUD, which he failed to do. Accordingly, Respondent continued to receive the HUD housing subsidy he had been receiving, which was based on his income from before he worked at DMPED.

In June 2013, Respondent's annual HUD subsidy recertification took place. Once HUD was in receipt of Respondent's new, increased salary, Respondent's HUD housing subsidy decreased to \$0.00. Therefore, Respondent received monthly housing subsidies in the amount of \$196, to which he was not entitled, totaling \$2,156 from September 2012 until July 2013.

Respondent was under the impression that he was not required to update HUD with his increased salary information until his June 2013 recertification process. Respondent admits that he should have been more

¹ Section 221(a)(4)(E) of the Ethics Act provides, in pertinent part, that "[i]n addition to any civil penalty imposed under this title, a violation of the Code of Conduct may result in the following: . . . Any negotiated disposition of a matter offered by the Director of Government Ethics, and accepted by the respondent, subject to approval by the Ethics Board."

diligent with the required paperwork and that he made a serious clerical error when he did not notify HUD of his salary increase within ten days.

II. NATURE OF VIOLATIONS

Respondent's conduct is in violation of one section of the District Code of Conduct, as set forth below:

- ❖ **One:** District Personnel Manual § 1800.3(m), which states: "Employees shall adhere to all federal, state, and local laws and regulations."

Respondent's conduct, failing to notify HUD within ten days that his household income cumulatively increased by more than \$200 or more per month, was a violation of the District Personnel Manual, specifically, §1800.3(m).²

III. TERMS OF THE NEGOTIATED DISPOSITION

Respondent acknowledges that his conduct was in violation of the District Code of Conduct and that he should be, and hereby is, "**Admonished**" for his conduct pursuant to D.C. Official Code § 1-1162.21(4)(A)(v). Moreover, Respondent agrees to satisfactorily fulfill his restitution to HUD, via a settlement agreement with [REDACTED], a debt collector, for the subsidies he received to which he was not entitled. The settlement agreement with [REDACTED] requires respondent to make full payment of \$2,348 by October 31, 2015.

In return for Respondent's acknowledgement of this misconduct, Respondent's agreement to satisfactorily fulfill his restitution to HUD, via [REDACTED], for the subsidies he received to which he was not entitled, Respondent's agreement to notify BEGA upon full repayment to HUD, via [REDACTED], and Respondent's promises not to engage in such conduct in the future, this Office will not seek any further remedy or take any further action relating to the above-described misconduct.

Respondent agrees that this Negotiated Disposition is not just an admission of a violation of the Code of Conduct, but constitutes various factual admissions that may be used in any subsequent Board of Ethics and Government Accountability ("BEGA") enforcement or BEGA-initiated judicial proceeding that may result from his failure to comply with this agreement. Respondent agrees that BEGA will provide a copy of this Negotiated Disposition to the Office of the Inspector General, which is already aware of this matter.

Respondent further understands that if he fails to adhere to this agreement, this Office may instead, at its sole option, recommend that the Ethics Board nullify this settlement and hold an open and adversarial hearing on this matter, after which the Ethics Board may impose sanctions up to the full statutory amount (\$5,000 per violation) as provided in the Ethics Act.³ Because the Office is, at this time, foregoing requesting that the Ethics Board hold an open and adversarial hearing on this matter, Respondent agrees to waive any statute of limitation defenses should the Ethics Board decide to proceed in that manner as a result of Respondent's breach of this agreement.

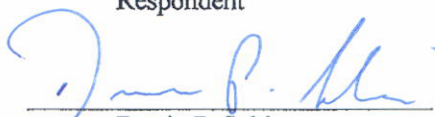
² U.S. Code § 1001 is the federal law in question.

³ Section 221(a)(1) (D.C. Official Code § 1-1162.21(a)(1)).

The mutual promises outlined herein constitute the entire agreement in the above-titled action. By our signatures, we agree to the terms outlined herein.


S. Newaldass
Respondent

3-25-2015
Date


Darrin P. Sobin
Director of Government Ethics

3-31-15
Date

This agreement shall not be deemed effective unless and until it is approved by the Board of Ethics and Government Accountability, as demonstrated by the signature of the Chairman below.

APPROVED:

Robert J. Spagnoletti
Chairman, Board of Ethics and Government Accountability

4/2/15
Date