

IN THE MATTER OF JOHN F. WILLIAMS, JR.

Former President of SUNY Downstate Medical Center.

HAND DELIVERED

COPIES

FEB - 6 2017

SUBSTANTIAL BASIS INVESTIGATION REPORT  
AND SETTLEMENT AGREEMENT  
Case No. 15-181

WHEREAS, the Joint Commission on Public Ethics ("Commission") is authorized by Executive Law §94 to conduct an investigation to determine whether a substantial basis exists to conclude that any violations of the Public Officers Law have occurred, to issue a report of its findings of fact and conclusions of law, and to impose penalties for any violation;

WHEREAS, John F. Williams, Jr. ("Respondent") was employed as the President of SUNY Downstate Medical Center ("Downstate") from August 2012 until he resigned effective June 2016;

WHEREAS, the Office of the New York State Comptroller ("OSC") conducted an audit and referred this matter to the Commission for its consideration;

WHEREAS, on August 23, 2016, a letter was sent to Respondent alleging potential violations of Public Officers Law §§74(3)(d), (f), and (h), which afforded Respondent fifteen (15) days in which to respond, which time was subsequently extended;

WHEREAS, on September 20, 2016, Respondent timely responded to the aforementioned letter;

WHEREAS, Respondent and the Commission, the parties to this Settlement Agreement ("Agreement"), have agreed to resolve this matter in a manner that avoids additional administrative and/or adjudicatory proceedings;

NOW THEREFORE, in consideration of the mutual covenants made herein, as the final settlement of this matter, the parties stipulate and agree that:

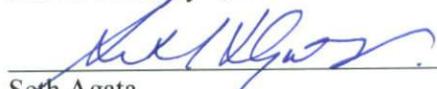
1. Respondent admits that in July 2014, he took a trip to Bermuda that included a birthday celebration for an executive of a vendor that was under contract with Downstate. Respondent also planned on attending a business-related conference, but that was cancelled. Unknown to Respondent, his assistant arranged payment consistent with the trip being part business and part personal by charging the roundtrip airfare and part of his hotel accommodations to his State-issued credit card. After Respondent learned this, the charges on the State-issued credit card for the accommodations were reversed and paid in full on Respondent's personal credit card. However, the Respondent reimbursed the State for the full cost of airfare in mid-September 2014 after an OSC audit.
2. Respondent acknowledges that by his actions described above, he violated Public

Officers Law §74(3)(d) which provides, in relevant part, that no State employee may use or attempt to use his official position to secure unwarranted privileges or exemptions for himself or others.

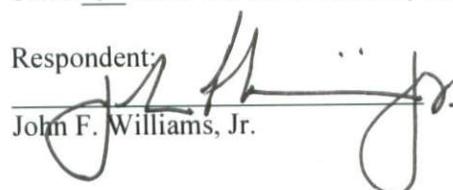
3. Respondent agrees to pay the Commission the amount of three thousand dollars (\$3,000.00) in settlement of this matter. Respondent shall make payment in full within thirty (30) days of the execution of this Agreement.
4. The Commission has agreed to the terms of this Agreement based on, among other things, the representations made by Respondent to the Commission. To the extent that representations made by Respondent are later found by the Commission to be materially incomplete or inaccurate, Respondent shall be in breach of this Agreement.
5. If Respondent fails to timely perform any conditions set forth in this Agreement, Respondent shall be in breach of the Agreement.
6. Respondent agrees not to take any action or to make, permit to be made, authorize, or agree to any public statement denying, directly or indirectly, any finding in this Agreement or creating the impression that this Agreement is without factual basis. Nothing in this paragraph affects Respondent's: (a) testimonial obligations; or (b) right to take legal or factual positions in defense of litigation or other legal proceedings to which the Commission is not a party. A violation of this Paragraph constitutes a breach of this Agreement by Respondent.
7. Upon a breach of this Agreement, the Commission shall have sole discretion to deem the Agreement null and void in its entirety, issue a new Notice of Substantial Investigation and Hearing which may include additional charges against Respondent, proceed with an enforcement action, and then issue a new Substantial Investigation Report. As to any new Substantial Basis Investigation Report or enforcement action by the Commission pursuant to this paragraph: (1) Respondent waives any claim that such action is time-barred by a statute of limitations or any other time-related defenses; and (2) Respondent expressly acknowledges and agrees that the Commission may use any statements herein, or any other statements, documents or materials produced or provided by Respondent prior to or after the date of this Agreement, including, but not limited to, any statements, documents, or materials, if any, provided for the purposes of settlement negotiations or in submissions by Respondent or by counsel on behalf of Respondent, in any proceeding against Respondent relating to the allegations herein.
8. Respondent shall, upon request by the Commission, provide all documentation and information reasonably necessary for the Commission to verify compliance with this Agreement.
9. Respondent understands and acknowledges that the Commission may investigate any other conduct by Respondent that is not covered by this Agreement, and take any appropriate action.

10. Respondent waives the right to assert any defenses or any challenges to this Agreement, as well as any right to appeal or challenge the determination or conduct of the Commission relating to this matter in any forum.
11. This Agreement and any dispute related thereto shall be governed by the laws of the State of New York without regard to any conflict of laws principles.
12. Respondent consents to the jurisdiction of the Commission in any proceeding to enforce this Agreement.
13. It is understood that this Agreement is not confidential and will be made public within 45 days of its execution in accordance with Executive Law §§94(14) & (19).
14. This Agreement constitutes the entire agreement between the parties and supersedes any prior communication, understanding, or agreement, whether oral or written, concerning the subject matter of this Agreement. No representation, inducement, promise, understanding, condition or warranty not set forth in this Agreement has been relied upon by any party to this Agreement.
15. Any amendment or modification to this Agreement shall be in writing and signed by both parties.
16. This Agreement shall become effective upon execution by the Commission or its designee.
17. In the event that one or more provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement.
18. By signing below, Respondent acknowledges reading this Agreement in its entirety, understanding all terms and conditions of this Agreement, and, having done so, Respondent knowingly, voluntarily, and freely enters into this Agreement. Respondent was represented by Garfunkel Wild, P.C. (James E. Dering, Esq.), 677 Broadway, Albany, NY 12207.

Dated: February 14, 2017

  
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Seth Agata  
Executive Director  
New York State Joint Commission on Public Ethics

ACCEPTED AND AGREED TO  
THIS 1 DAY OF FEBRUARY, 2017

Respondent:  
  
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John F. Williams, Jr.

Approved:

Michael K. Rozen  
Acting Chair

Robert Cohen  
Marvin E. Jacob  
Seymour Knox, IV  
Hon. Eileen Koretz  
Gary J. Lavine  
J. Gerard McAuliffe, Jr.  
David A. Renzi  
Hon. Renee R. Roth  
Dawn L. Smalls  
Hon. Penny M. Wolfgang

Members