

THE CITY OF NEW YORK
CONFLICTS OF INTEREST BOARD and
THE CITY OF NEW YORK
DEPARTMENT OF EDUCATION

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: **DISPOSITION**
In the Matter of :
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VLADIMIR ILYAYEV : COIB Case No. 2014-440
: DOE Case No. 1156117
:
Respondent. :
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WHEREAS, the New York City Conflicts of Interest Board (the “Board”) commenced an enforcement action pursuant to Section 2603(h)(1) of Chapter 68 of the New York City Charter (“Chapter 68”) against Vladimir Ilyayev (“Respondent”); and

WHEREAS, given that the Board learned that related disciplinary action was pending at the New York City Department of Education (“DOE”), the Board referred this matter to DOE pursuant to Section 2603(e)(2)(d) of Chapter 68; and

WHEREAS, the Board, DOE, and Respondent wish to resolve this matter on the following terms,

IT IS HEREBY AGREED, by and among the parties, as follows:

1. In full satisfaction of the above-captioned matter, Respondent admits to the following:
 - a. Since January 8, 2007, I have been employed by DOE, most recently as a Computer Systems Manager. As such, during this time I have been and am a “public servant” within the meaning of and subject to Chapter 68.
 - b. Beginning on March 19, 2014, at times when I was required perform work for DOE, I made several attempts to install bitcoin mining software on my DOE computer without DOE authorization. After being thwarted five or six times by DOE’s security software, I circumvented the DOE security software and successfully installed bitcoin mining software on my DOE computer.
 - c. I ran bitcoin mining software on my DOE computer from 6:00 p.m. until 6:00 a.m. every night from March 19, 2014, until April 17, 2014, when my bitcoin mining software was shut down by DOE’s Division of Instructional and Information Technology. During that time, I monitored the progress of my bitcoin mining software from my home computer using remote access software.

- d. I acknowledge that, by installing bitcoin mining software on my DOE computer during times when I was required to be performing work for DOE, I used City time for profit-making activity in violation of City Charter § 2604(b)(2), pursuant to Board Rules § 1-13(a), which state respectively:

No public servant shall engage in any business, transaction or private employment, or have any financial or other private interest, direct or indirect, which is in conflict with the proper discharge of his or her official duties.

Except as provided in subdivision (c) of this section, it shall be a violation of City Charter §2604(b)(2) for any public servant to pursue personal and private activities during times when the public servant is required to perform services for the City.

- e. I acknowledge that, by operating bitcoin mining software on my DOE computer every night for one month, I used City resources in an attempt to benefit myself financially in violation of City Charter § 2604(b)(2), cited in paragraph 1(d), pursuant to Board Rules § 1-13(b). Board Rules § 1-13(b) states:

Except as provided in subdivision (c) of this section, it shall be a violation of City Charter §2604(b)(2) for any public servant to use City letterhead, personnel, equipment, resources, or supplies for any non-City purpose.

2. DOE has determined that the appropriate penalty in this case is the forfeiture of four (4) days of annual leave, valued at approximately \$611.

3. The Board, after reviewing prior cases involving the misuse of City time and resources for profit-making activities, has decided not to impose any additional penalty.

4. In recognition of the foregoing, Respondent agrees to the following:


- a. I agree to forfeit four (4) days of annual leave, valued at approximately \$611.
- b. I agree that this Disposition is a public and final resolution of the DOE charges and the Board's action against me.
- c. I knowingly waive, on my behalf and on behalf of my successors and assigns, any rights to commence any judicial or administrative proceeding or appeal before any court of competent jurisdiction, administrative tribunal, political subdivision, or office of the City or the State of New York or the United States, and to contest the lawfulness, authority, jurisdiction, or power of the Board or DOE in imposing the penalty which is embodied in this Disposition, and I waive any right to make any legal or equitable claims or to initiate legal proceedings of any kind against the Board or DOE, or any members or employees thereof relating to or arising out of this Disposition or the matters recited therein.

- d. I agree that, if I am ever brought up by DOE on Civil Service Law Section 75 charges in the future, the hearing officer will be entitled to consider this Disposition for the purposes of notice and penalty. An executed copy of this Disposition shall be maintained in my personnel file and the files maintained by the Office of Legal Services.
- e. I confirm that I have entered into this Disposition freely, knowingly, and intentionally, without coercion or duress and after having had the opportunity to be represented by an attorney of my choice and having declined that opportunity; that I accept all terms and conditions contained herein without reliance on any other promises or offers previously made or tendered by any past or present representative of the Board or DOE; and that I fully understand all the terms of this Disposition.
- f. I agree that any material misstatement of the facts of this Chapter 68 matter, including of the Disposition, by me or by my representative or agent shall, at the discretion of the Board, be deemed a waiver of confidentiality of this matter.

5. The Board and DOE accept this Disposition and the terms contained herein as a final Disposition of the above-captioned matter only, and affirmatively state that other than as recited herein, no further action will be taken by the Board or DOE against Respondent based upon the facts and circumstances set forth herein, except that the Board and DOE shall be entitled to take any and all actions necessary to enforce the terms of this Disposition.

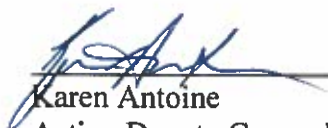
6. This Disposition shall not be effective until all parties have affixed their signatures below.

Dated: 5/25/17, 2017



Vladimir Ilyayev
Respondent

Dated: 6/5/17, 2017



Karen Antoine
Acting Deputy Counsel to the Chancellor
NYC Department of Education

Dated: 7/19, 2017



Richard Briffault
Chair
NYC Conflicts of Interest Board