
IN THE MATTER OF

**BEFORE THE SCHOOL
ETHICS COMMISSION**

**LAWRENCE JAMES,
CHESILHURST BOARD
OF EDUCATION,
CAMDEN COUNTY**

**Docket No.: C10-98
DECISION**

PROCEDURAL HISTORY

This matter arises from a claim that respondent Lawrence James, a member of the Chesilhurst Board of Education (Board), violated the School Ethics Act, N.J.S.A. 18A:12-21 et seq. Specifically, Complainant Wadia Alwan, also a member of the Board, alleged that Mr. James violated N.J.S.A. 18A:12-24(b) by using his office to influence the hiring of an insurance broker, Associated Insurance Management, owned by the Mayor of Haddonfield in violation of N.J.S.A. 18A:12-24(a), (b), (c) and (f). The second paragraph of the complaint alleged that Mr. James switched the board's computer software contract from Edmunds to ICS, a company that is owned by Mr. James's friend who sits on the Camden County Human Relations Commission, which he serves as Executive Director in violation N.J.S.A. 18A:12-24(a), (b), (c) and (f). The third paragraph alleged that Mr. James transferred school funds from First Union Bank to Commerce Bank when First Union denied Mr. James a home equity loan for the sum he requested in violation of N.J.S.A. 18A:12-24(f). The fourth and fifth paragraphs of the complaint alleged sex discrimination against one of the employees of the Chesilhurst School District and a violation of the Sunshine Law.

At its meeting of November 24, 1998, the School Ethics Commission found probable cause to credit the allegation that Mr. James violated N.J.S.A. 18A:12-24(b) of the School Ethics Act by using his position to secure privileges for himself with First Fidelity, now First Union, Bank. The Commission found no probable cause and dismissed the remainder of the charges in paragraphs one, two, four and five. The Commission found that the material facts were not in dispute in the matter on which it found probable cause and therefore invited Mr. James to file a written submission setting forth the reasons that the Commission should not find him in violation of the School Ethics Act.

Mr. James filed his written submission on December 2, 1998. The Commission reviewed his response and considered it in rendering this decision on December 15, 1998. For the reasons set forth below, the Commission now concludes that Mr. James violated N.J.S.A. 18A:12-24(b) of the act and recommends that the Commissioner of Education impose a sanction of censure.

STATEMENT OF FACTS

The Commission finds the following material facts to be undisputed regarding the charge on which it found probable cause.

Regarding the First Union matter, the Commission found that Mr. James did not switch the Board's accounts from First Union because the bank turned him down for a home equity loan as originally alleged in the complaint. In fact, Mr. James did receive a home equity loan, and there are other plausible reasons for the change of banks. However, when First Union was First Fidelity, it turned Mr. James down for an unsecured loan. At that time, Mr. James asked the then Business Administrator for the Board, Abdi Gass, to intervene with the bank on his behalf. Mr. Gass then wrote a letter dated November 14, 1995, which set forth that Mr. James has been instrumental in making sure that the bank remains the custodian and fiscal agent for the schools' numerous accounts. It further indicated that the bank should reciprocate by advancing Mr. James a personal unsecured line of credit. The letter requested assistance to secure approval of the loan. It is directed to the head of unsecured loan processing. The letter copies Mr. James and Mr. Gass. Mr. Gass presented it to the Vice President of the bank and asked her to put the letter on her letterhead, sign it and forward it to the employee who could secure approval of Mr. James's loan. She refused to do so. Mr. James did not acquire the loan.

ANALYSIS

The Commission must now determine whether Mr. James violated N.J.S.A. 18A:12-24(b) of the School Ethics Act. This subsection sets forth:

No school official shall use or attempt to use his official position to secure unwarranted privileges, advantages or employment for himself, members of his immediate family, or others.

Mr. James denies that he asked Mr. Gass to write a letter, but admits to asking him to intercede on his behalf. Mr. James states that he never approved or agreed to what was done. The Commission accepts Mr. James's representation that he asked Mr. Gass to intercede, but did not ask him to write the letter. The content of the letter was apparently Mr. Gass's interpretation of Mr. James's request. Nevertheless, the Commission finds the request in and of itself to be inappropriate and in violation of the act.

The Commission strongly discourages board members from seeking favors from employees of the Board, especially personal favors such as this. When this conduct is coupled with the fact that the favor requested is to intercede with the bank at which the Board's accounts are held, it becomes clear that Mr. James was attempting to secure

unwarranted privileges for himself in violation of N.J.S.A. 18A:12-24(b) when he asked Mr. Gass to intercede on his behalf.

DECISION

For the foregoing reasons, the Commission finds that Mr. James violated N.J.S.A. 18A:12-24(b) by asking the Board's Business Administrator to intercede for him in acquiring an unsecured loan from the bank that held the Board's accounts. The Commission finds that the appropriate penalty for this violation is a censure. This penalty takes into account that using one's position to secure unwarranted privileges is a gross violation of the act. A censure will inform the public of his conduct and put other board members on notice that there will be serious consequences when a Board member seeks such an inappropriate favor from an employee of the Board. The Commission also recognizes that a harsher penalty would have been more appropriate if the evidence was clear that he instructed Mr. Gass to write the letter in question.

Upon adoption by a formal resolution of the School Ethics Commission, this matter shall be transmitted to the Commissioner of Education for action on the Commission's recommendation for sanction only, pursuant to N.J.S.A. 18A:12-29. Within thirteen (13) days from the date on which the Commission's decision was mailed to the parties, any party may file written comments on the recommended sanction with the Commissioner of Education, c/o Bureau of Controversies and Disputes, P.O. Box 500, Trenton, NJ 08625, marked "Attention: Comments on Ethics Commission Sanction." A copy of any comments filed must be sent to the School Ethics Commission and all other parties.

Paul C. Garbarini
Chairperson

Resolution Adopting Decision – C10-98

Whereas, the School Ethics Commission has considered the pleadings, the documents, submitted in support thereof and the testimony of the parties; and

Whereas, the Commission now finds that Mr. Lawrence James violated the School Ethics Act and recommends that the Commissioner of Education impose a penalty of censure; and

Whereas, the Commission has reviewed the proposed decision of its staff; and

Whereas, the Commission agrees with the proposed decision;

Now Therefore Be It Resolved that the Commission hereby adopts the proposed decision referenced as its decision in this matter and directs its staff to notify all parties to this action of the Commission's decision herein.

Paul C. Garbarini, Chairperson

I hereby certify that the Resolution was duly adopted by the School Ethics Commission at its public meeting on December 15, 1998.

Lisa James-Beavers
Executive Director