

**STATE OF RHODE ISLAND
BEFORE THE RHODE ISLAND ETHICS COMMISSION**

In re: David Hodgkinson

Complaint No. 98-12

ORDER

This matter having been heard before the Rhode Island Ethics Commission on June 25, 2002, pursuant to Commission Regulation 1011, and the Commission having considered the Complaint herein as well as the proposed Informal Resolution and Settlement, which is incorporated by reference herein, and the argument by counsel, it is hereby

ORDERED, ADJUGED AND DECREED

THAT, the Commission accepts the Informal Resolution and Settlement and Addendum to Informal Resolution and Settlement, and

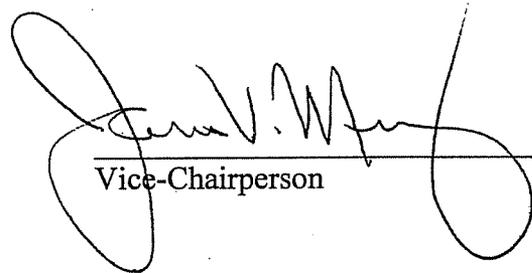
THAT, the Commission incorporates by reference herein its findings as those set forth in the Informal Resolution and Settlement and Addendum thereto, and

FURTHER, the Commission accepts the terms of the Informal Resolution and Settlement and Addendum thereto and imposes the following:

1. As to Count 1, pursuant to R.I. Gen. Laws § 36-14-13(d)(3), the imposition of a civil penalty in the amount of \$2,000.
2. As to Count 3, pursuant to R.I. Gen. Laws § 36-14-13(d)(3), the imposition of a civil penalty in the amount of \$1,000.
3. As to Count 6, pursuant to R.I. Gen. Laws § 36-14-13(d)(3), the imposition of a civil penalty in the amount of \$1,000.

4. Respondent is ordered to cease and desist violating the provisions of the Code of Ethics, and is specifically enjoined from using any school time, resources, personnel or equipment in the furtherance of any private business interest, including but not limited to operating a travel agency or planning, advertising, soliciting, or recruiting for trips associated with his or any travel agency in which Respondent has a business interest. Such Cease and Desist Order shall not prevent Respondent from entering into contracts with the school or providing travel-related services pursuant to an open and public bidding process and consistent with the requirements of the Code of Ethics.
5. Counts 2, 4 and 5 are dismissed with prejudice.

ENTERED as an Order of this Commission this 1st day of July, 2002.


Vice-Chairperson

**STATE OF RHODE ISLAND
BEFORE THE RHODE ISLAND ETHICS COMMISSION**

In re: David Hodgkinson

Complaint No. 98-12

INFORMAL RESOLUTION AND SETTLEMENT

Respondent, David Hodgkinson, and the Rhode Island Ethics Commission hereby agree to a resolution of the above-referenced matter as follows:

A. Findings of Fact and Admissions

1. The Respondent has been employed as a teacher for the Cranston School Department for approximately thirty years. For the past twelve years, the Respondent has served as the Chair of the Science Department at Cranston High School West, which is comprised of approximately fifteen teachers. As the Department Chair, the Respondent evaluates teachers, schedules classes, reviews curriculum, and orders supplies. The Respondent also was the long-time advisor/president of the High School's Ski Club and was serving in that capacity at all times hereto relevant.
2. Beginning in approximately 1985, the Respondent worked as a travel agent for Roger Williams Travel, Inc. ("RWT, Inc."), a travel agency owned and operated by Louis D'Antuono. As a travel agent, the Respondent, on average, received thirty percent (30%) of the commissions generated by any trips he arranged through RWT, Inc. For any ski trips organized by RWT, Inc., regardless of whether it was he or Mr. D'Antuono who arranged the trip, the Respondent received fifty (50%) percent of the commission generated pursuant to a specific agreement between him and Mr. D'Antuono.

3. On November 19, 1996, the Respondent filed Articles of Incorporation for Roger Williams Travel of RI, LTD. ("RWTRI, Ltd."). In January of 1997, the Respondent purchased the assets and good will of RWT, Inc. Hereinafter, reference to either travel agency shall be to either "RWT" or "the travel agency." Mr. D'Antuono maintained a relationship with RWT after he sold it to the Respondent, including the arrangement for ski trip commissions referenced above.
4. The Cranston School Department offers a number of field trips during the school year. To plan a trip outside of school, an interested teacher or administrator must complete a Field Trip Request Form and receive written approval from his or her Department Chair and the School's Principal.
5. To finance the trip, the sponsoring teacher usually collects funds from the participating students (and/or parents) and deposits the money collected into the appropriate school account. To help finance a trip, students also hold fundraisers in the school, such as bake and raffle sales, with the assistance of a faculty advisor. To receive a school check for the trip, the teacher must complete a Check Request Form that must be approved by a Department Chair and the Principal. Upon submission of an appropriately notarized Check Request Form, the School's fiscal manager issues the teacher a check to cover the appropriate expenses.
6. The Respondent, through Roger Williams Travel, Inc. and Roger Williams Travel of RI, LTD., provided travel services for a number of school events and received a commission for his services. Many of the trips, including an annual trip to Toronto and a number of trips to New York City, were either sponsored by or arranged by the Respondent or members of his Department. As the Chair of the Department, the Respondent also

routinely approved the Check Request Form to authorize payment to his travel agency. In fact, on one occasion for a trip to Toronto in March 1996, the Respondent was the only individual who signed the check request for the issuance of a \$10,000 check to Roger Williams Travel, Inc. Twenty-one of the trips, all involving the High School, occurred after the Respondent became the owner of the Roger Williams travel agency in January 1997. The Respondent, as owner of RWT, received a profit or commission on the field trips taken by the High School students.

7. None of the trips described above were subject to an open and public bidding process. There was at this time no school policy requiring open and public bidding for trips that were not paid for using school funds.
8. In many respects, the Respondent merged and overlapped his public responsibilities, particularly in his role as Chair of the Science Department, and his private financial interests. He undertook the organizing, advertising and promotion of field trips on behalf of the Science Department and other academic disciplines, legitimate school activities, when those efforts also conferred a direct financial benefit on himself, his business associates and the Roger Williams travel agency.
9. The Cranston West High School Ski Club, which also is known as the Western Cranston Ski Club, met during an "activity hour" that was scheduled every other week. As the faculty advisor, the Respondent discussed and planned ski trips during this period. Ski trips put together by and for the Ski Club were held on weekends or during school vacation periods and involved no school money. There were no bidding procedures or school policies or rules governing these trips given that there was no public money used. In effect then, the Ski Club at the High School was a school sponsored activity, which

met during school hours and used school facilities. The Club's trips, however, were not school activities, or even school sponsored activities. The trips nevertheless were organized through the school's Ski Club, school activity periods were used to promote and organize the trips, and school resources were utilized to plan, promote and facilitate the trips, including the distribution of fliers and collection of fees.

10. The Respondent used Roger Williams Travel, Inc. and Roger William Travel of RI, LTD. to make the travel arrangements for the planned ski trips, as well as for other recreational trips offered to students. Respondent and his business associate, Mr. D'Antuono, received commissions or profits as a result of running these trips. The business was transacted through and by the Respondent's employer, and by his own company after he purchased it.
11. In order to advertise the Ski Club trips and other recreational trips run offered by RWT, the Respondent developed and distributed fliers that provided details of the trips, and he authorized or allowed members of his Department to distribute the fliers to their various classes during school hours. The Respondent then collected money from students for the cost of the trips, or had teachers under his supervision collect such money, also on school time.
12. The High School provided the Science Department with a personal computer for use by Department members, located in Respondent's office. The Respondent utilized this PC in connection with his business interest in Roger Williams travel agency.
13. The Respondent used a display case outside of his office to advertise upcoming ski trips offered through the Roger Williams travel agency.

14. The Respondent maintained a separate account not related to the School to handle the funds collected from the Ski Club. In January 1991, the Respondent opened an account at Citizens Bank for the Western Cranston Ski Club. The account closed on February 4, 1999. The Respondent and his wife were signatories on the account.
15. Use of this Western Cranston Ski Club account contrasted with the normal method of handling business by the Roger Williams travel agency. For most clubs or trips, payments would be made directly to the agency by the participants, with checks payable to the Roger Williams travel agency or some variation thereof. By using the Western Cranston Ski Club account, the students at the High School would make payments to the Ski Club, on paper, rather than the travel agency where the Respondent worked and/or had an interest. The Respondent would then deposit the payments and make a single payment, drawn on the Western Cranston Ski Club account, to the travel agency.

B. Conclusions of Law

1. The Commission holds that Respondent, as the Chair of the Science Department at Cranston High School West, had an interest which was in substantial conflict with the proper discharge of his duties in the public interest by utilizing, authorizing the use of, and/or approving the issuance of checks to Roger Williams Travel, Inc. and Roger Williams Travel of RI, LTD., in which Respondent received a profit or percentage as commission, in violation of R.I. Gen. Laws § 36-14-5(a).
2. The Commission holds that Respondent, as the Chair of the Science Department at Cranston High School West, used his public position other than as provided by law to benefit himself as an employee/independent contractor of Roger Williams Travel Agency, Inc. and as owner of Roger Williams Travel of RI, LTD., and to benefit his

employer and business associates, by utilizing Roger Williams Travel Agency, Inc. and Roger Williams Travel of RI, LTD. to plan, advertise, promote and facilitate school field trips that used the aforementioned travel agencies, and by authorizing others in the Science Department to do the same, in violation of R.I. Gen. Laws § 36-14-5(d).

3. The Commission holds that Respondent, as the Chair of the Science Department at Cranston High School West, had an interest which was in substantial conflict with the proper discharge of his duties in the public interest by using his public position to plan, advertise, promote and facilitate ski trips that used the Roger Williams Travel Agency, Inc. and Roger Williams Travel of RI, LTD, and by authorizing others in the Science Department at the high school to do the same, in violation of R.I. Gen. Laws §36-14-5(a).

C. Settlement

Pursuant to the above Findings of Fact and Conclusions of Law, the Ethics Commission imposes the following:

1. As to Count 1, pursuant to R.I. Gen. Laws § 36-14-13(d)(3), the imposition of a civil penalty in the amount of \$2,000.
2. As to Count 3, pursuant to R.I. Gen. Laws § 36-14-13(d)(3), the imposition of a civil penalty in the amount of \$1,000.
3. As to Count 6, pursuant to R.I. Gen. Laws § 36-14-13(d)(3), the imposition of a civil penalty in the amount of \$1,000.
4. Respondent is ordered to cease and desist violating the provisions of the Code of Ethics, and is specifically enjoined from using any school time, resources, personnel or equipment in the furtherance of any private business interest, including but not limited to operating a travel agency or planning, advertising, soliciting, or recruiting for trips

associated with his or any travel agency in which Respondent has a business interest.

Such Cease and Desist Order shall not prevent Respondent from entering into contract with the school or providing travel-related services pursuant to an open and public bidding process and consistent with the requirements of the Code of Ethics.

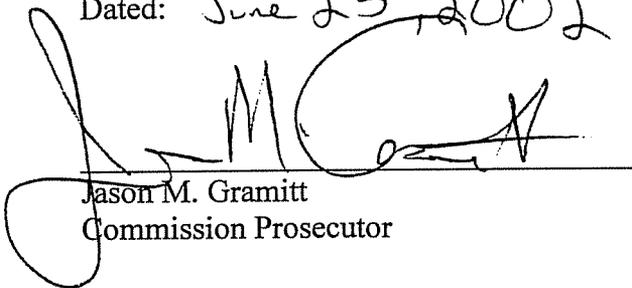
5. Counts 2, 4 and 5 are dismissed with prejudice.

The above terms represent the full and complete Informal Resolution and Settlement for

Complaint No. 98-012

Dated:

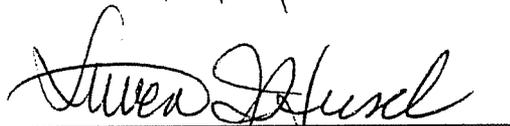
June 25, 2002



Jason M. Gramitt
Commission Prosecutor

Dated:

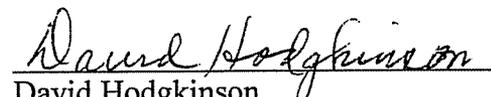
6/25/02



Steven J. Hirsch
Counsel for Respondent

Dated:

6/25/02



David Hodgkinson
Respondent