

BEFORE THE WASHINGTON STATE  
EXECUTIVE ETHICS BOARD

In the Matter of:

██████████,

Respondent.

NO. 98-06

STIPULATION AND ORDER

**I. STIPULATION**

THIS STIPULATION is entered into under WAC 292-100-090 between ██████████  
██████████, through his attorneys, W. Tracy Codd and Kurt Bulmer, and the EXECUTIVE  
ETHICS BOARD ("Board") through Richard A. McCartan, Assistant Attorney General.

**A. FACTS AND LAW**

**1. THE CONTRACTS**

This citizen's complaint, filed April 28, 1998, alleges that ██████████ then head  
football coach at the University of Washington, violated various provisions of Chapter 42.52  
RCW by "being allowed to subsidize his state salary with moneys from business firms." ██████████

██████████ did receive payments from private companies as follows:

a. Nike. Under a contract extending from July 1997 through June 2001 between Nike  
Corporation and ██████████ Nike paid Mr. Lambright \$60,000 per year, plus bonuses  
between \$5,000 and \$25,000 for post-season appearances and \$2,000 per year of free Nike

merchandise. The contract required [REDACTED] to: (1) wear only Nike products at all athletic events, including football practices, clinics, exhibitions, games, sports camps, promotional activity, and other non-official occasions; (2) make best efforts to wear Nike products when appearing on televised football events; (3) consult with Nike; (4) make certain personal appearances for Nike; and (5) allow Nike to use his endorsement.

b. Wilson. Under a contract signed in February 1996 and extended for three years in April 1998 between Wilson Sporting Goods Company and [REDACTED] Wilson has paid [REDACTED] \$3,000 per year, plus \$500 to \$1,000 for post-season appearances and \$5,000 of free Wilson merchandise over a three-year period. The contract required [REDACTED] (1) to use only Wilson products in his personal and professional play; (2) to cause his team to use only Wilson products; (3) to make certain personal appearances for Wilson; and (4) to allow Wilson to use his endorsement.

c. KOMO. Under a four-year contract signed in February 1998 between the University and Fisher Broadcast Company, owners of KOMO Radio, KOMO has paid [REDACTED] \$75,000 per year, plus \$10,000 to \$15,000 for post-season appearances. The University-KOMO contract required [REDACTED] to appear on a mid-week coach's show during the football season, as well as one weekly pre-game and post-game show.

d. Prime Sports/FOX. Under a contract in effect since 1994 between the University and Prime Sports Northwest Incorporated, and its successor, Fox Broadcasting Company, those companies have paid [REDACTED] \$50,000 per year. The contract required [REDACTED] to appear on two weekly coach's show during the football season.

e. U.S. Bank. Under a two-year contract signed in April 1996 between U.S. Bank and [REDACTED] U.S. Bank paid [REDACTED] \$30,000. The contract required [REDACTED] to make himself available each year for up to five days to appear in radio/television commercials.

[REDACTED] under these various contracts, received approximately \$201,000 per year, plus bonuses for post-season bowl games. The contracts were made expressly permissible under the terms of the contract between [REDACTED] and the University, and were specifically approved by the University. [REDACTED] payments from the private companies ended in December 1998 when the University terminated [REDACTED] as its head football coach.

## 2. APPLICABLE LAW

### a. RCW 42.52.110 states:

No state officer or state employee may, directly or indirectly, ask for or give or receive or agree to receive any compensation, gift, reward, or gratuity from a source for performing or omitting or deferring the performance of any official duty, unless otherwise authorized by law except: (1) the state of Washington; or (2) in the case of officers or employees of institutions of higher education or of the Spokane intercollegiate research and technology institute, a governmental entity, an agency or instrumentality of a governmental entity, or a nonprofit corporation organized for the benefit and support of the state employee's agency or other state agencies pursuant to an agreement with the state employee's agency.

### b. RCW 42.52.120 states:

(1) No state officer or state employee may receive any thing of economic value under any contract or grant outside of his or her official duties. The prohibition in this subsection does not apply where the state officer or state employee has complied with RCW 42.52.030(2) or each of the following conditions are met:

(a) The contract or grant is bona fide and actually performed;

(b) The performance or administration of the contract or grant is not within the course of the officer's or employee's official duties, or is not under the officer's or employee's official supervision;

(c) The performance of the contract or grant is not prohibited by RCW 42.52.040 or by applicable laws or rules governing outside employment for the officer or employee;

- (d) The contract or grant is neither performed for nor compensated by any person from whom such officer or employee would be prohibited by RCW 42.52.150(4) from receiving a gift;
- (e) The contract or grant is not one expressly created or authorized by the officer or employee in his or her official capacity;
- (f) The contract or grant would not require unauthorized disclosure of confidential information.

### B. RESOLUTION

██████████ does not admit that he violated any provision of Chapter 42.52 RCW in receiving money under contracts from private companies, as outlined above, and believes the University's approval of the contracts allowed his performance under them.

Because the issues in this case may have general application to colleges and universities, the state Executive Ethics Board will issue the attached Advisory Opinion relating to coaches' contracts.

██████████ will not be required to pay a civil penalty but will reimburse the state Executive Ethics Board for the cost of investigation in the amount of NINE THOUSAND FIVE HUNDRED DOLLARS (\$9,500). The amount is payable to the state Executive Ethics Board within thirty (30) days of approval of this Stipulation and Order by the Board. Failure to make timely payment will render the Stipulation and Order null and void.

### C. CONCLUSIONS OF LAW

1. Pursuant to Chapter 42.52 RCW, the Executive Ethics Board has jurisdiction over ██████████ and over the subject matter of this complaint.

2. Pursuant to WAC 292-100-090(1), [REDACTED] to resolve this matter, may agree to pay \$9,500 to reimburse the state Executive Ethics Board for its investigative costs in this case.

3. Settlement of this matter on the terms herein is subject to WAC 292-100-090(2) which states in part:

The board has the option of accepting, rejecting, or modifying the proposed stipulation or asking for additional facts to be presented. If the board accepts the stipulation or modifies the stipulation with the agreement of respondent, the board shall enter an order in conformity with the terms of the stipulation. If the board rejects the stipulation or respondent does not agree to the board's proposed modification to the stipulation, the normal process will continue. The proposed stipulation and information obtained during formal settlement discussion shall not be admitted into evidence at a subsequent public hearing.

#### D. RELEASE

1. If the Board accepts this Stipulation, the Board releases and discharges [REDACTED] from all further ethics proceeding under chapter 42.52 RCW for matters arising out of the facts contained in this complaint. [REDACTED] agrees to release and discharge the Board, its officers, agents, and employees from all claims, damages, and causes of action arising out of this Complaint and this Stipulation and Order.

2. If this Stipulation is accepted, this Stipulation and Order does not purport to settle any other claims between [REDACTED] the University of Washington, the State of Washington, or other third party, which are now in existence or may be filed in the future.

3. If this Stipulation is accepted, this Stipulation and Order will be inadmissible for any purpose in any other proceeding involving [REDACTED] the state, and/or third parties aligned with the state.

E. CERTIFICATION

I, [REDACTED], hereby certify that I have read this Stipulation and Order in its entirety; that my counsel has fully explained its legal significance; that I knowingly and voluntarily waive my right to a hearing in this matter; that I fully understand it and agree to it; and that I do so voluntarily.

[REDACTED]

4/7/99  
Date

[Signature]  
W. TRACY CODD  
Attorney for Jim Lambright

4/8/99  
Date

[Signature]  
KURT BULMER  
Attorney for Jim Lambright

4/8/99  
Date

Stipulated to and presented by:

[Signature]

RICHARD A. McCARTAN  
Assistant Attorney General

3/25/99  
Date

II. ORDER

Having reviewed the proposed Stipulation, WE, THE STATE OF WASHINGTON EXECUTIVE ETHICS BOARD, HEREBY:

ACCEPT this Stipulation in its entirety;

REJECT this Stipulation in its entirety;

\*MODIFY this Stipulation. This Stipulation will become the Order of the Board if the following modifications are approved by [REDACTED]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATED this 9<sup>th</sup> day of April, 1999.

\_\_\_\_\_  
JANET LIM, Chair

*Cheryl Rohret*  
\_\_\_\_\_  
REV. CHERYL ROHRET, Vice Chair

*Gwendolyn Foyle*  
\_\_\_\_\_  
GWENDOLYN FOYD, Member

*Paul Gillie*  
\_\_\_\_\_  
PAUL GILLIE, Member

*Sutapa Basu*  
\_\_\_\_\_  
SUTAPA BASU, Member

\*I, [REDACTED] accept/do not accept (circle one) the proposed modification.

\_\_\_\_\_  
[REDACTED]

\_\_\_\_\_  
Date