

2019

Executive
Ethics Board

[ANNUAL REPORT]

Washington State Executive Ethics Board

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The Board Members and Background

Mission Statement

To promote integrity, confidence and public trust in state government through education, interpretation and enforcement of the Ethics in Public Service Act.

Leadership

Established in 1995 via statute, the Washington State Executive Ethics Board (the Board) is comprised of five members appointed by the Governor for five-year terms. Two of the five members must be current state employees; one an exempt employee and one a classified employee. One of the remaining three members of the Board is selected from names provided by the State Auditor's Office, one from names provided by the Attorney General's Office and one is a citizen-at-large. Except for initial members and those completing partial terms, members serve a single five-year term. The members play a crucial role in the policy setting and enforcement of the Ethics Act.

Shirley Battan (Chair) was appointed by Governor Inslee in March, 2017 to fill the remainder of a term extending through September, 2018 and was reappointed for a full term by Governor Inslee. Shirley is a graduate of Western Washington University and the University of Puget Sound School of Law (now Seattle University). Shirley retired from the Office of the Attorney General in June 2014 as a Deputy Attorney General, having served at the executive level for Attorneys General Gregoire, McKenna and Ferguson. In that role she had administrative oversight for several legal divisions and was also responsible for attorney hiring, attorney training, internal policy development and the Office's Diversity Advisory Committee. She is a recipient of the National Association of Attorneys General Executive Manager of the Year Award and also the Conference of Western Attorneys General Kempsey Award for Outstanding Management.

Gerri Davis (Vice Chair) was appointed by Governor Inslee in December 2017 for a term of service through September 2022. Gerri serves as the Human Resources Director with the State of Washington Department of Financial Institutions, and has been employed with the State of Washington Department of Financial Institutions (DFI) since March of 1997. She served as Ethics Advisor to DFI's Agency Management and Staff since 2000, including providing Ethics Training to agency management and staff. Since Gerri's appointment to the Executive Ethics Board she no longer serves as the agency's Ethics Advisor, but does to continue to provide Ethics Training to agency management and staff, as well as managing the annual Ethics Package completion required by all agency staff. Gerri has extensive experience and training in all aspects of Human Resources work, has been engaged in managing agency ethical standards during her tenure with DFI, and holds a certificate in Human Resources Management from Seattle Pacific University.

Lisa Marsh, was originally appointed by Governor Gregoire in March 2011 and was reappointed for a full term by Governor Inslee in November 2015. Lisa earned her J.D. from the University of Puget Sound School of Law in 1994 and an LL.M. in tax from the University of Washington, from which she also earned a green belt in Lean/Six Sigma. Lisa has been in public service for 30 years, including serving as a Chief Operations Officer, Chief Information Officer, Chief Strategy Officer, Administrative Law Judge, Assistant Attorney General, and Change Agent. Lisa has been recognized with the Governor's Award for Leadership in Management and the Excellence in

Leadership Award; and her units have received multiple state, national and international topical and team awards.

Anna Dudek Ross was appointed by Governor Gregoire in May 2012 for a term of service extending through September 2016 and was reappointed for a full term by Governor Inslee. Anna is a graduate of Macalester College and Vanderbilt University Law School. Anna is an environmental attorney focusing on regulation and government contracting. She previously served as Deputy Counsel to a presidential campaign, as Managing Director of the Alaska office of a Seattle-based consulting firm, and as an Associate Director of the Seattle University School of Law Center for Professional Development. Anna lives in Seattle with her husband Jeremy and daughter Sabina.

John Ladenburg Sr. (resigned May, 2019) was appointed by Governor Inslee in October 2015 for a term through September 2019. Mr. Ladenburg has represented Pierce County as a Tacoma City Council member, a Prosecuting Attorney and as Pierce County Executive where he served for eight years. He is currently in private practice with his two sons at the law firm Sadler Ladenburg in Tacoma.

Jan Jutte was appointed by Governor Inslee in November 2019 for a term through September 2024. Jan is a graduate of Saint Martin's College (now Saint Martin's University). Jan retired from the State Auditor's Office in January 2017. She began as a field auditor during Robert Graham's tenure. In addition to working for Robert Graham, she worked for Auditor Brian Sonntag, Auditor Troy Kelley and a few weeks for Auditor Pat McCarthy before retiring. She held many positions in the Office including Acting State Auditor. In her various roles, she was very involved in legal issues in the compliance audits as well as in whistleblower investigations the Office conducted. She has been awarded a lifetime membership in Washington Finance Officers' Association for her contributions to the WFOA, National Performance Review Award from Vice President Al Gore, Special Recognition Award for her commitment to state government transparency and accountability by the National Association of State Auditors, Comptrollers and Treasurers, and 2017 Governor's Award for Leadership in Management.

Board staff includes an Executive Director, Administrative Officer and two Investigators. The Board is an independent agency, but the Board's staff is funded and supported through the Attorney General's Office (AGO).

The Executive Director reports to the AGO's Solicitor General. Board staff complies with all of the AGO's policies and procedures and follows the AGO's Performance Management System in which each staff member's work performance is evaluated on an annual basis against mutually agreed upon performance goals. Board staff is housed in an AGO-leased facility.

Background

The Executive Ethics Board is an independent group made up of five individuals who are appointed by the Governor. The Office of the Attorney General provides staff for the Board. Board members as well as staff are dedicated to improving the public's confidence in state government by ensuring that state officers and employees conduct themselves with the highest

ethical and moral standards and they conduct the state's business in a manner that advances the public's interest.

The Board's strategic plan emphasizes two areas in which most resources are to be devoted:

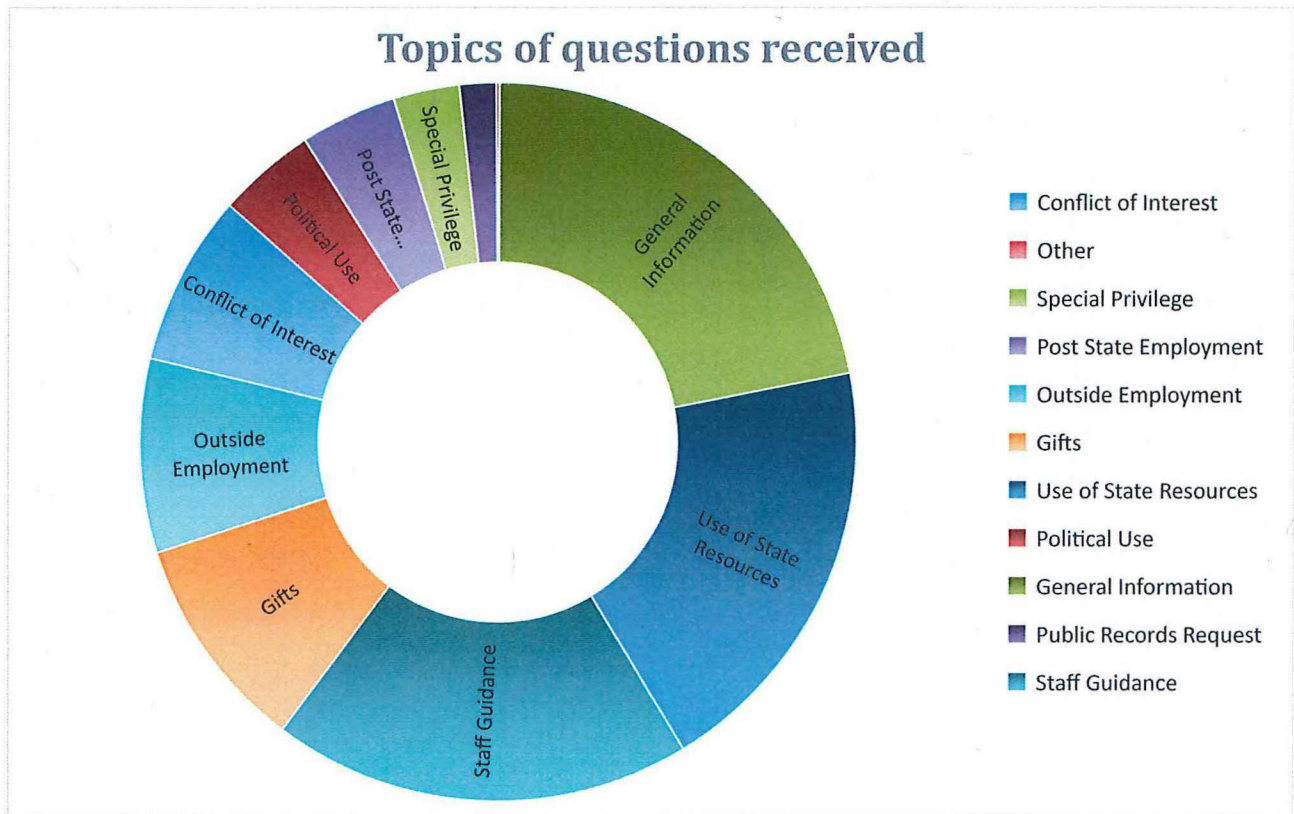
- **Strengthen the ethical culture and promote an ethical workforce within the executive branch of Washington State government, and**
- **Improve the complaint process.**

The Board Members believe that conducting training, developing educational materials, and issuing advisory opinions or non-binding staff opinions are ways to accomplish these goals. Staff has acquired two additional FRED (Forensic Recovery Evidence Device) units in order to process hard drives faster resulting in completion of investigations well below our targeted goal.

Strengthen the Ethical Culture and Promote an Ethical Workforce

The Board assists customers—including agency advisors, state employees, elected officials and the public at large—via e-mail, the phone, or face-to-face meetings. Board staff routinely answer hundreds of queries a year from customers regarding ethical situations and assist them in effectively handling these situations.

In 2019, Board staff answered over 1,300 ethics questions both on the telephone and via email. General information about the Board and use of state resources were our top inquiries followed by questions regarding gifts and outside employment.



The Board’s website continues to be the main source of information for state agencies and the public at large. The site adapts to screens of all sizes and provides Board customers with real-time information, a calendar of events, electronic forms as well as contact us and public records request forms. The website also contains an active list of agency ethics advisors and policies approved by the Board, which has been helpful for state employees in locating agency specific information.

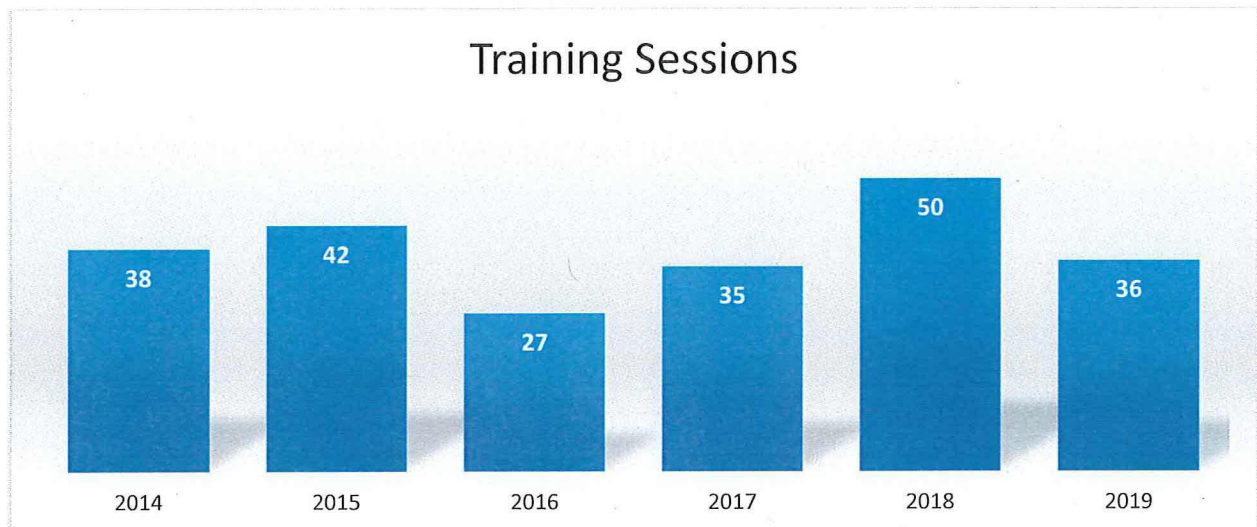
Training

The Ethics in Public Service Act does not currently mandate ethics training but does encourage training of all state employees every thirty-six months and requires all state agencies to designate an ethics advisor. The Board offers free training to any state agency in a variety of ways: a 4-hour in-depth look at the Ethics in Public Service Act, RCW 42.52; a 90-minute refresher course for those employees who already have a good working knowledge of the Act, both online and live; and other sessions specifically tailored to the agency’s needs.

Board staff is currently conducting a pilot program to offer Ethics Training via webinar in an effort to reach state agencies and colleges/universities statewide. Staff plans to continue this option and will market it in the coming year. The Board’s Executive Director is also offering in person training to Executive Level Management.

Over the past year, Board staff conducted 36 live classroom and webinar training sessions across the state and trained 1,027 state employees.

Sessions held:



Number of state employees trained:



EEB Newsletter

Board staff published an EEB Newsletter immediately following each Board meeting to inform state agencies, colleges/universities, state employees, and the public of recent Board opinions and enforcement actions. These newsletters are also posted on the ethics website and shared via email with our agency ethics advisors and our listserv.

Outside Employment Contracts

Under WAC 292-110-060, a state officer or employee must receive board approval before entering into, or obtaining a beneficial interest in, a contract or grant with a state agency only if the process for awarding the contract or grant was not open and competitive, or, whenever only one bid or application was received. In 2019, the Board staff reviewed 92 contracts and approved 88 contracts.

Policy Reviews

Under RCW 42.52.360(4) and WAC 292-120-035, the Board may review and approve agency policies. When determining an appropriate sanction for violations of the Act, the Board may consider agency policies in effect at the time of the conduct and would likely not impose sanctions for conduct that would violate the Act if the conduct at issue was permitted under a board-approved agency policy, providing “safe harbor” for employees. In 2019, the Board reviewed 12 agency policies and approved nine. Board approved policies are posted on the Board’s website for reference.

Rule-making

In 2019, the Board began the process of amending WAC 292-100 Agency Procedural Rules and will continue the rule-making process in the coming year including seeking stakeholder input and holding a public hearing.

Coalition for Integrity

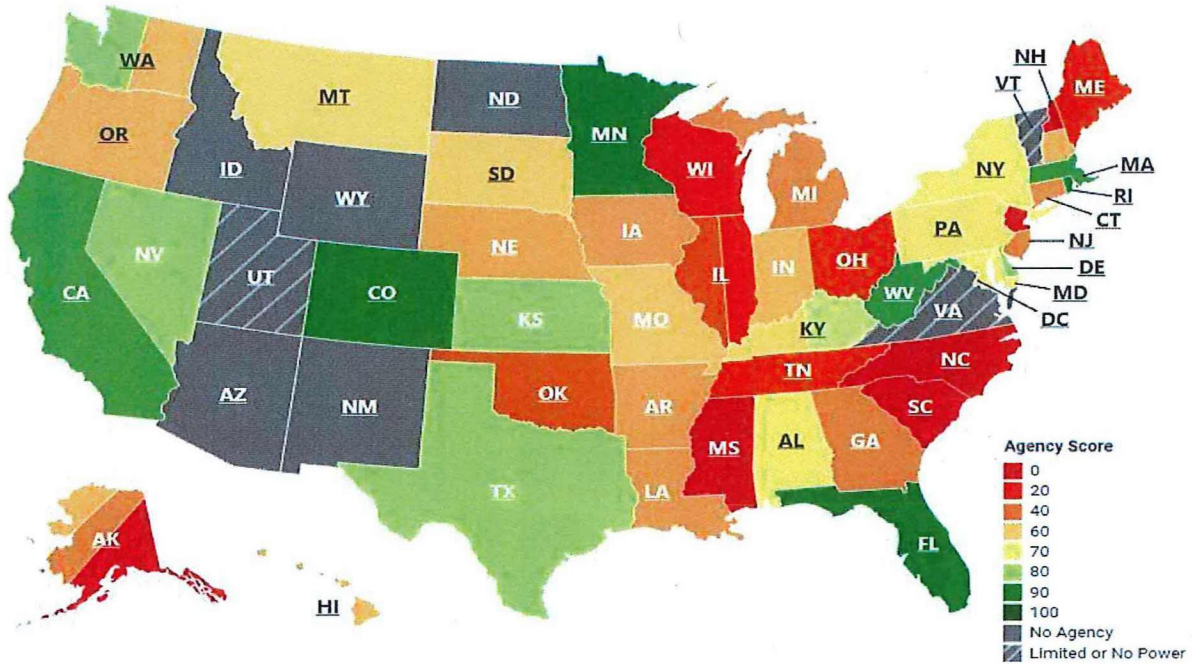
In 2019, the Coalition for Integrity published their *States with Anti-corruption Measures for Public Officials [S.W.A.M.P.] Index Report 2019*. The Coalition for Integrity is non-profit, non-partisan 501(c)(3) organization, working in coalition with a wide range of individuals and organizations to combat corruption and promote integrity in the public and private sectors.

The S.W.A.M.P. report analyzes the laws of all 50 states and the District of Columbia relating to current state laws and regulations governing ethics and transparency in both the executive and legislative branches.

Washington was recognized for having an Executive Ethics Board and a Legislative Ethics Board, both of which have authority to independently investigate, hold public hearings, issue reprimands and impose fines. Washington State also has strong gift rules, which prohibit elected and appointed executive branch officials and legislators from accepting more than \$50 worth of gifts, in aggregate, in a calendar year or in a single gift from multiple sources.

Enforcement of Ethics Rules by State Ethics Agencies ¹

The Transparency Scoring Map ranks and compares states and independent state ethics agencies based on transparency and the availability of enforcement statistics.



Rank	Agency	Score
1.	CO Independent Ethics Commission	100
1.	FL Commission on Ethics	100
1.	MN Campaign Finance and Public Disclosure Board	100
1.	RI Ethics Commission	100
5.	MA State Ethics Commission	94
5.	WV Ethics Commission	94
7.	CA Fair Political Practices Commission	93
8.	DE Public Integrity Commission	83
8.	KS Governmental Ethics Commission	83
8.	NV Commission on Ethics	83
8.	TX Ethics Commission	83
8.	WA Executive Ethics Board	83
13.	KY Legislative Ethics Commission	78
14.	AL Ethics Commission	67
14.	MD State Ethics Commission	67
14.	NY Joint Commission on Public Ethics	67
22.	WA Legislative Ethics Board	50

- The Executive Ethics Board ranked 8th in the country with a score of 83
- The Legislative Ethics Board ranked 22nd with a score of 50

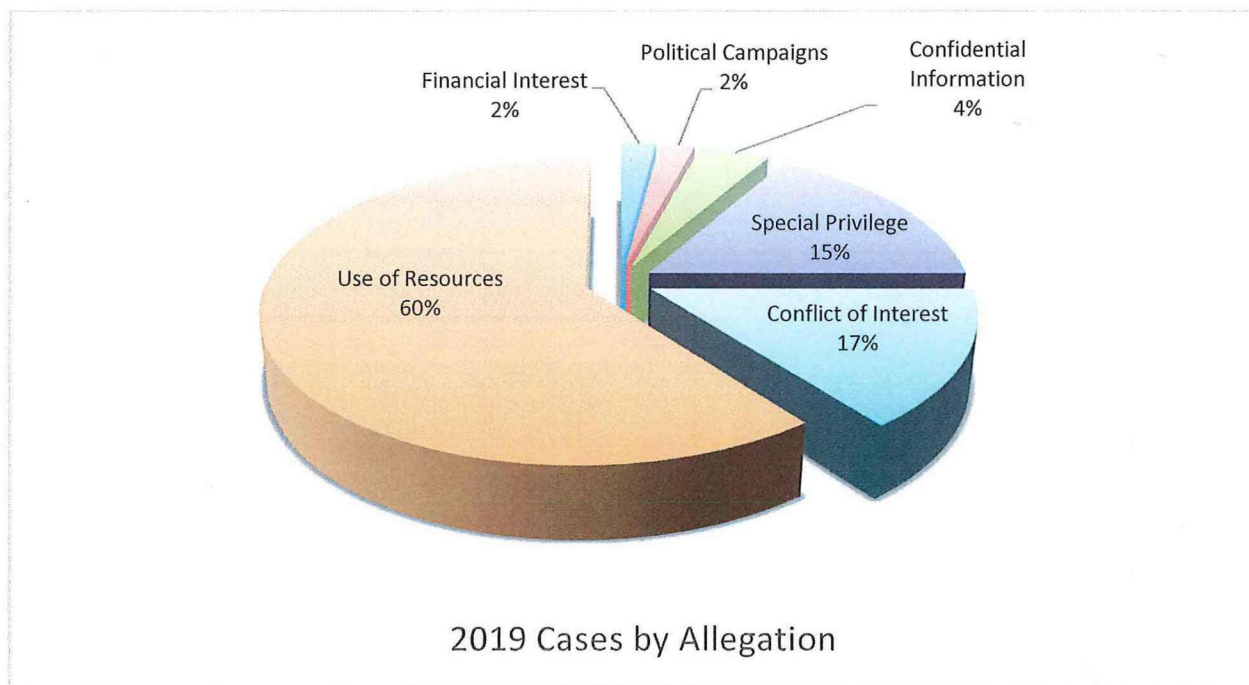
¹ Source: Enforcement of Ethics Rules by State Agencies: Unpacking the S.W.A.M.P. Index

Improve the Complaint Process

Enforcement

In 2019, the Board opened 55 new cases and currently has 25 open cases. The Board found Reasonable Cause in 30 cases and no Reasonable Cause in four cases, issued 15 Board Dismissals and issued six Orders of Default. In 2019, the Board also reviewed 20 Executive Director Dismissals, heard one request for review of an Executive Director Dismissal, settled 22 cases with agreed stipulations and heard six motions for summary judgment. In total, the Board levied \$136,147 in monetary penalties. Monies received as payment of these penalties are deposited into the state's general fund.

The use of public resources for personal gain was once again the leading allegation for cases accepted for filing in 2019, followed by activities incompatible with public duties (conflict of interest) and special privilege.



Details on the enforcement actions resulting in civil penalties can be found in Attachment 1.

The goal is to complete routine investigations within 180 days. In 2019, investigations were completed in an average of 109 days, well within our goal. Much of the decrease in the completion rate is due to having a second investigator and investing in two additional Forensic Recovery Evidence Devices (FRED) units. These units allow the investigators to process hard drive information at a faster pace resulting in less time to bring the case to conclusion.

General Information

Budget

Washington's Executive Ethics Board has an annual operating budget of \$481,192, four staff members and jurisdiction over approximately 64,811 employees in the Executive branch of state government, not including over 38,000 higher education employees.

Staff:

Kate Reynolds, Executive Director
Ruthann Bryant, Administrative Officer
David Killeen, Senior Investigator
Bobby Frye, Investigator

Legal Counsel:

Bruce Turcott, Assistant Attorney General, Counsel to the Board (Jan-July)
Michelle Carr, Assistant Attorney General, Counsel to the Board (July-Dec)
Chad Standifer, Assistant Attorney General, Counsel to staff and enforcement attorney

Contact Information

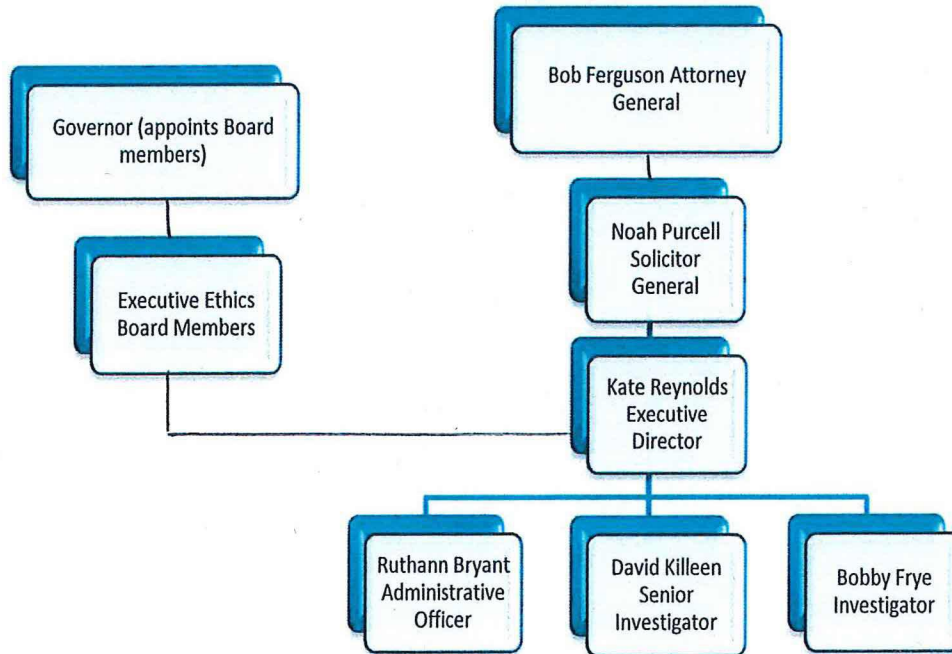
Address: 2425 Bristol Court SW
PO Box 40149
Olympia, WA 98504-0149

Telephone: 360-664-0871

Website: www.ethics.wa.gov

Email: ethics@atg.wa.gov

Organizational Chart



The Board accepted stipulated penalties from or imposed penalties on 32 individual state employees as follows:

	Allegation	Violation	Penalty
Employee 1	A Physician's Assistant with the Department of Corrections took time off without submitting the proper leave slips.	RCW 42.52.160	\$1,500
Employee 2	A Department of Labor and Industries employee participated in outside employment with a business he had regulatory and compliance responsibilities over.	RCW 42.52.020	\$2,000
Employee 3	A Department of Labor and Industries employee participated in outside employment with a business he had regulatory and compliance responsibilities over.	RCW 42.52.020	\$2,000
Employee 4	A Regional Revenue Supervisor with the Department of Labor and Industries used state parking to park her car while on a two-week personal vacation.	RCW 42.52.160	\$300
Employee 5	An employee at the Employment Security Department hired a client to work in his outside business	RCW 42.52.020	\$2,000
Employee 6	A Department of Social and Health Services employee used a state vehicle for personal purposes, including transporting a family member.	RCW 42.52.070, .160	\$2,500 with \$1,250 suspended
Employee 7	A Department of Labor and Industries employee participated in outside employment with a business he had regulatory and compliance responsibilities over.	RCW 42.52.020	\$3,000 with \$500 suspended
Employee 8	A faculty member at Grays Harbor College required her students to purchase a textbook she co-authored.	RCW 42.52.020, .030, .070	\$1,500
Employee 9	A Department of Corrections employee used state resources for both personal use and for his outside employment.	RCW 42.52.160	\$3,500 with \$1,000 suspended
Employee 10	A Department of Social and Health Services employee used state resources for personal use and sent an email with a picture of a client to a family member.	RCW 42.52.050, .160	\$4,000 with \$1,000 suspended
Employee 11	A Department of Fish and Wildlife employee failed to pay for parking on capital campus for a one-year period.	RCW 42.52.160	\$1,000
Employee 12	A former Department of Social and Health Services employee used state resources for her personal benefit by taking time off from work without submitting leave.	RCW 42.52.160	\$3,000

Employee 13	A former Seattle College employee used the agency purchasing card for nearly 2,000 personal transactions over a 2 ½ year period.	RCW 42.52.020, .070, .160	\$50,715 with \$45,651 suspended
Employee 14	A Seattle Maritime Academy employee used the facility to store his personal boat and accessed the property to launch the boat.	RCW 42.52.070, .160	\$1,750
Employee 15	A former Green River College employee used state resources for her personal benefit and for a non-profit organization she worked with.	RCW 42.52.160	\$1,500
Employee 16	A former Central Washington University employee failed to submit leave when he was absent from work.	RCW 42.52.160	\$1,500
Employee 17	A former Department of Agriculture employee used other WSDA employees to complete inappropriate livestock brand inspections on his personal livestock and purchased cattle from a person he regulated.	RCW 42.52.020, .070	\$2,000
Employee 18	A former Department of Social and Health Services employee used state resources to support her outside business.	RCW 42.52.160	\$325
Employee 19	A Professor at the University of Washington used state resources to oppose an initiative during the 2018 statewide election.	RCW 42.52.180	\$5,000
Employee 20	A Professor at Eastern Washington University used state resources to promote his CD.	RCW 42.52.160	\$2,500
Employee 21	A former Western State Hospital employee used state resources for her private benefit by frequently accessing Facebook during the workday using her state computer.	RCW 42.52.160	\$3,000
Employee 22	A Western Washington University employee misreported time worked, worked from home without authorization and used state resources for personal benefit, including outside business activities.	RCW 42.52.070, .160	\$4,000
Employee 23	A former Health Care Authority employee accessed confidential information for personal use and used state resources, computer, printer and time, for her personal benefit.	RCW 42.52.160	\$2,000
Employee 24	A former Department of Corrections employee took time off without submitting leave slips.	RCW 42.52.160	\$3,000
Employee 25	A former Employment Security employee failed to pay for parking on Capital Campus for a number of years.	RCW 42.52.160	\$2,000
Employee 26	A former Department of Social and Health Services employee committed welfare fraud over a two-year period by falsely submitting applications.	RCW 42.52.020 and .070	\$3,250
Employee 27	A Department of Child, Youth and Families employee used state resources for private benefit and gain and used her personal email to transmit confidential information.	RCW 42.52.050, .160	\$3,000

Employee 28	A Fish and Wildlife employee used state resources for a March Madness sports pool.	RCW 42.52.160	\$500 with \$100 suspended
Employee 29	A former Department of Social and Health Services employee attended a federally sponsored training and received payment in addition to her normal salary.	RCW 42.52.160	\$3,000
Employee 30	A former Department of Social and Health Services employee attended college during state time and did not submit leave.	RCW 42.52.160	\$3,000
Employee 31	A former Health Care Authority employee used state resources to conduct her real-estate business on her state laptop and failed to submit leave for time she did not work.	RCW 42.52.160	\$3,500
Employee 32	A former Parks and Recreation Commission employee misappropriated funds involving a purchasing card and a fuel card resulting in losses to the state over \$16,000.	RCW 42.52.160	\$16,306.57