

2016

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.

Anna Dudek Ross (Chair) 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.

Samantha Simmons (Vice Chair) was appointed by Governor Gregoire in October, 2012 for a term of service that extends until September 2017. Ms. Simmons has been working in the public sector in Human Resources since 2003. Ms. Simmons started her career with the Department of Transportation and then promoted to a position with the Attorney General's Office. Ms. Simmons currently works for the Department of Social and Health Services as the Layoff and Policy Administrator in the Policy and Strategy Unit of Human Resources.

Sumeer Singla was appointed by Governor Jay Inslee in January 2014. Sumeer is a partner with Impact Law Group with over 12 years of public sector and in-house experience. He is a trial lawyer, general counsel and policy analyst. Sumeer has served as municipal and government counsel, serving state legislators and city agencies. He has worked on complex municipal, state, and federal regulations such as liquor and marijuana license regulations, building and planning regulations, and general land use regulations. Sumeer also serves as Judge Pro Tem in numerous jurisdictions in King and Snohomish Counties. He adjudicates both civil and criminal cases.

John Ladenburg Sr. 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.

Lisa Marsh, was originally appointed by Governor Gregoire in March 2011 and reappointed for a full term by Governor Inslee in November 2015. She 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 in 1997; she has been licensed to practice law in 11 jurisdictions. Lisa has been in public service for 30 years, including prior service as a Chief Information Officer, Administrative Law Judge, and an Assistant Attorney General. She has been recognized with the Governor's Award for Leadership in Management and the Excellence in Government Leadership Award; and her units have received two US Department of Labor awards: Performance Excellence in Tax Operations and the Unemployment Insurance Innovation Award for Integrity; both state and international awards from the International Association of Workplace Professionals; and both the 2011 and 2013 NASWA James F. Walls Team Award.

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

The Board Members believe that publicizing their actions, conducting training, developing educational materials, and issuing advisory opinions or non-binding staff opinions are ways to accomplish these goals. The Board released an online complaint form and has been working on a reviewing all of their rules to make both the process and rules more user friendly and transparent.

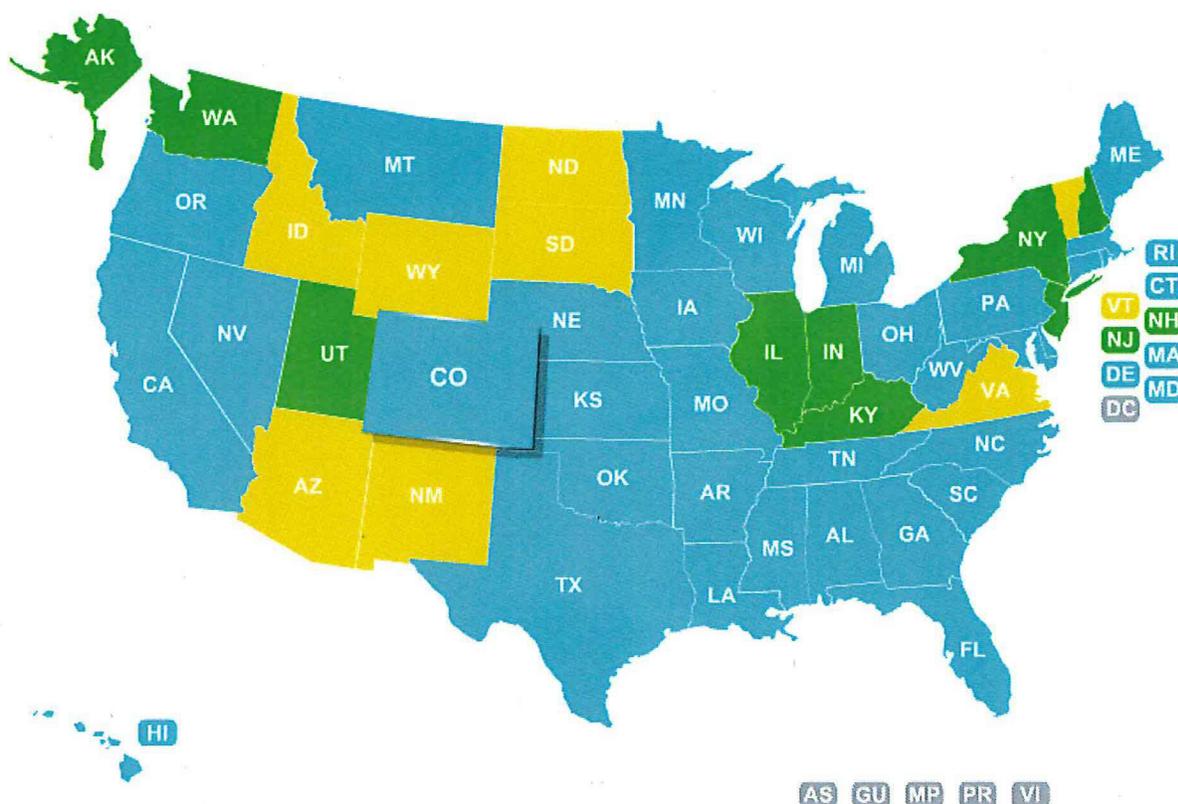
Comparison to other Ethics Boards

Only eight other states have ethics boards with exclusive jurisdiction over employees of the executive branch. Other states either combine all branches of state government employees under one ethics board or combine ethics and campaign finance under one board.

Forty-two states provide external oversight of their ethics laws through an ethics commission established in statute or in the constitution. Nine states—Alaska, Utah, Illinois, Indiana, Kentucky, New Jersey, New York, New Hampshire and Washington—have more than one commission that oversees different branches of government. Eight states do not have ethics commissions—Arizona, Idaho, New Mexico, North Dakota, South Dakota, Vermont, Virginia and Wyoming, but ethical oversight may be provided through other state agencies such as the Office of the Secretary of State or Office of Attorney General or a legislative ethics committee.¹

State Ethics Commissions

One Commission	More than One Commission	No Commission	N/A
One Commission	More than One Commission	No Commission	N/A



Of the states with executive ethics boards, these boards have an average budget of \$1,958,750 and jurisdiction over an average work force of 103,329 state employees. The Washington Executive Ethics Board ranks 5th in the amount it receives in its annual operating budget and 5th in the number of state employees over whom it has jurisdiction.

¹ Based on information from the National Conference of State Legislatures at www.ncsl.org.

State	Board staff	Board members	Annual budget	State employees ²
Illinois	3	9	\$ 7,000,000	102,078
New York	50	13	\$ 4,300,000	222,965
Ohio	21	6	\$ 2,000,000	109,085
New Jersey	13	7	\$ 1,000,000	133,261
Kentucky	6	5	\$ 500,000	74,615
Washington	4	5	\$ 530,998	99,182
Indiana	15	5	\$ 369,408	74,507
New Hampshire	0	7	\$ 2,250	14,694

The ethics boards listed above had an average of 22 staff members, but several of these boards also manage the state's financial disclosure program. The Washington Board now has four full-time employees. The compared state ethics boards had an average of seven board members, while Washington's Board only has five members.

² Source: 2015 Annual Survey of Public Employment and Payroll published by the U.S. Census Bureau and remains most recent data as of March 2017

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 answers hundreds of queries a year from customers regarding ethical situations and how to effectively handle these situations.

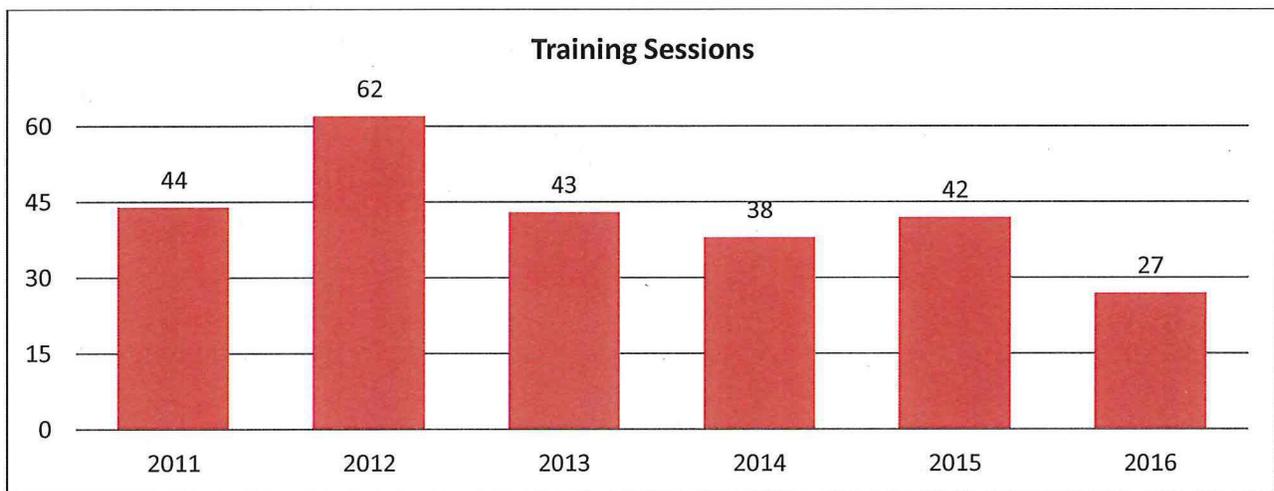
The Board’s website continues to be the main source of information for state agencies and the public at large. It is updated after every Board meeting and at any time when new information is available. In keeping with technological advancements and the public’s need for real-time information, the Board is evaluating ways to update the function of the website for users and is working towards redesigning the website in 2017.

Training

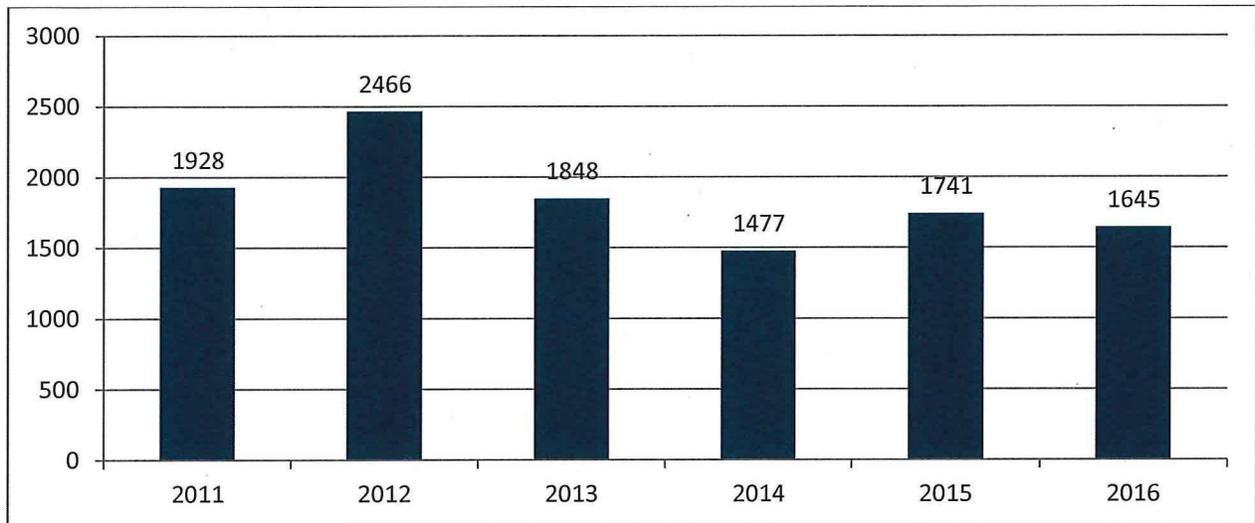
The Ethics in Public Service Act does not currently mandate ethics training but does encourage training of all state employees every thirty-six months and requires all state agencies to designate an ethics advisor. The Board offers free training to any state agency. Board staff provides the training and will travel to agency locations across the state to ensure all agencies have equal access to the training.

In 2016, Board staff conducted 27 live classroom training sessions for 1,645 state employees. In addition to classroom training, the Board offers an online ethics quiz on their website and has an online 90 minute Ethics in State Government training available through the Washington State Learning Management System.

Sessions held:



Number of state employees trained:



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 2016, the Board staff reviewed and approved 77 contracts.

Policy Reviews

Under RCW 42.52.360(4) and 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 will not impose sanctions for conduct that would violate the Act if the conduct at issue was permitted under a board-approved agency policy. In 2016, the Board reviewed and approved 11 agency policies.

Rule-making

In 2016, Board staff completed working with a sub-committee group on redrafting WAC 292-110-010, Use of State Resources. The goal of the subcommittee is to provide clear guidance for state officers and employees to understand when it is acceptable for limited personal use of state resources. The Board approved the final amendments and the new rule went into effect on April 1, 2016.

The Board completed their review of the entire chapter of WAC 292-130 Agency Organization—Public Records and held a public hearing in July allowing public comment by stakeholders and interested parties. The new rule went into effect on July 29, 2016.

The Board also completed their review of to the entire chapter of WAC 292-100 Procedural Rules and held a public hearing in November allowing public comment by stakeholders and interested parties. The new rule went into effect on December 20, 2016.

Advisory Opinions

The Board began an in-depth review of all of its previously issued Advisory Opinions (AO) to determine if the advice was still current and applicable or whether the AO needed to be archived or revised. Throughout 2016 the Board reviewed the following AOs:

Use of State Resources and Use of State Resources for Political Purposes:

96-10	Use of employee mailing list by agency elect officer
98-06	Use of resources for political campaigns
99-01	Definition of legislative body/political activities
99-03	Wellness Program
99-02	Operating a non-profit within an agency
00-04	Use of State Resources/Cell Phones
00-08	Use of state resources/political campaigns/officer or employee title
00-09	Combined fund drive activities
00-10	Emails
02-01	Use of state facilities to conduct union business
02-02A	Use of state resources – general board advice
02-04	Use of state facilities, including electronic mail, to distribute newspaper articles and editorial opinions
03-01	Accessing state retirement account/state provided benefits
03-02	Use of state resources/political campaigns/voter pamphlet statements
03-03	Frequent flyer miles
03-04	Selling complimentary text books
04-01	Use of agency websites to provide links to private web sites that advocate for or against ballot initiatives or political candidates

Activities Incompatible, Financial Interests, Assisting in Transactions and Confidential Information:

96-09	Disclosure Requirement for Boards and Commissions
96-09A	Boards and Commissions
97-03	Outside Employment with a Regulated Entity
97-11	Financial Interests/Board Membership
97-12	Stock ownership by State Employee
97-13	Financial Interests/Board Membership

98-04	Elective Office/Confidential Information
98-05	Transactions Involving the State
98-07	Outside Employment/Subcontracting
98-08	Conflict of Interest/Board Membership
98-11	Potential Conflicts of Interest Regarding Prospective Employment
99-04	Conflict of Interest/Spouse's Business Interest
99-07	Conflicts of Interest Regarding Board Membership
00-14	Serving on the Board of a Non-state entity that is Seeking Funds from a State Employees Parent Agency
01-02	Membership in Non-state Organizations that are Affected by State Agency Decisions
01-03	State Employee's Outside Business Relationship with an Agency Vendor
01-04	State Officer's Outside Business Relationship with an Agency that they Oversee
02-03	Conflicts Between the Regulatory and Proprietary Functions of Agency Employees
03-03	Use of Frequent Flyer Miles by State Officers and Employees
03-05	Holding an Interest beneficial or Otherwise in a Person Regulated by a Citizen Body Whose Members May be Selected from Identified Groups or Interests
04-03	Conflicts of Interest related to Membership in Groups that are Sponsored by the Department of Natural Resources

Compensation for Official Duties and Compensation for Outside Activities or Employment:

97-05	Employee's Beneficial Interest in a Spouse's Contract with their Employing Agency
97-14	Outside employment
98-03	Community Colleges/Acceptance of Gifts
99-03	Outside Compensation/Collegiate Athletic Coaches
00-02	Working on Programs Funded by a Grant that Employee Administers
00-12	Compensation for Performing Official Duties/Tips
11-01	Expert Witness/Expert Testimony

Archived Opinions:

98-07	Accepting Employment as an Expert Witness
99-06	Providing Expert Advice

Post-State employment:

97-06	Assisting in a Transaction
97-07	Employment by a Person Who Contracted with Employee's Agency
97-08	Conflicts of Interest Regarding Post-state Employment
98-02	Transactions Involving the State
00-01	Stock Options and Post-state Employment
00-02	Working on Programs Funded by a Grant the Employee Administers

00-07	Post-State Employment
00-13	Post-state Employment
01-01	Post-state Employment
01-06	Application of Post-employment Provisions to former Department of Ecology employees who Worked on the Hanford Federal Facility Dangerous Waste Program Permitting Process
08-03	Post-state Employment
10-04	Former Employee Assisting on State Contract

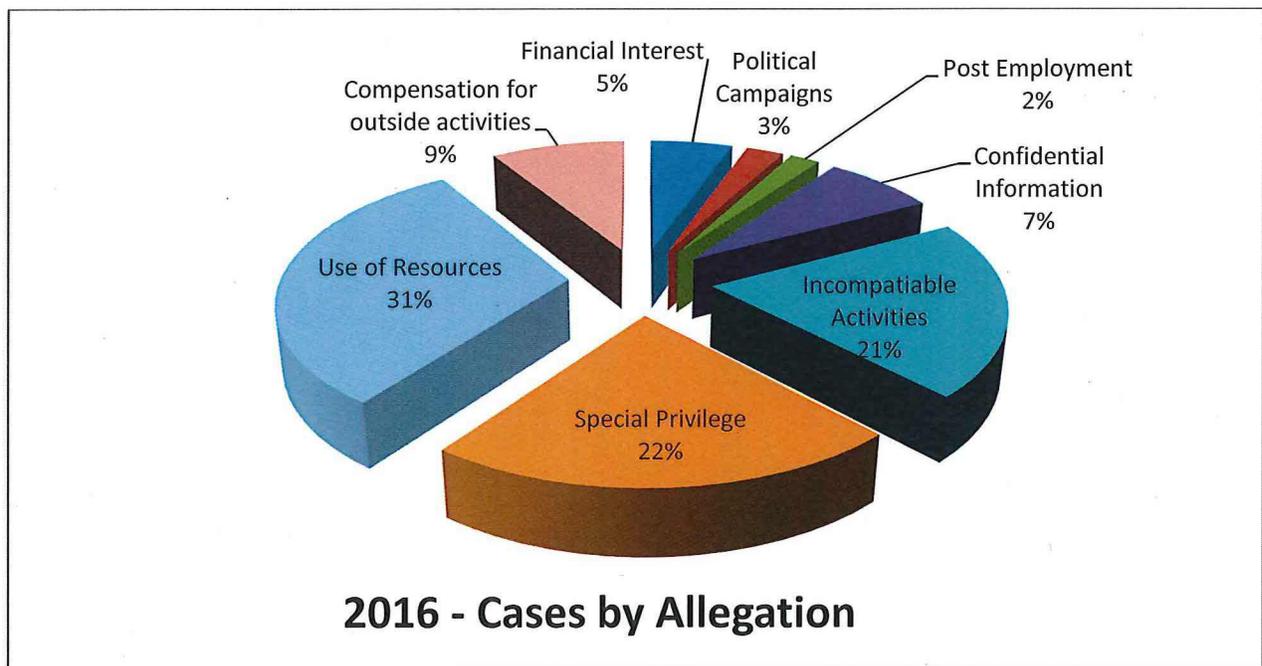
Improve the Complaint Process

Enforcement

In order to simplify the process for the public to file complaints with the Board, staff added an electronic complaint form to the website. The public can easily complete a complaint form, attach evidence and file it with the Board electronically. The public can also print and mail the complaint into our office.

In 2016, the Board opened 93 new cases and currently has 64 open cases. The Board found Reasonable Cause in 28 cases, issued 11 Board Dismissals and issued 4 Orders of Default. In 2016, the Board reviewed 53 Executive Director Dismissals, and settled 17 cases with agreed stipulations and issued four Final Orders of Default. In total, the Board levied \$59,000 in monetary penalties. Monies received as payment of these penalties are deposited into the state's general fund.

Use of public resources for personal gain was once again the leading allegation for cases accepted for filing in 2016, followed by special privileges and activities incompatible with public duties.



Details on the penalties can be found in Attachment 1.

The goal is to complete routine investigations within 180 days. In 2016, investigations were completed in an average of 373 days. Much of the increase is due to the complexity of cases received and the Board staff is now conducting forensic analysis on nearly all use of state resource cases. The Board was granted funding for an additional investigator in 2016. We hired our new investigator in June and as a result, the Board expects this number to decrease over the next year.

General Information

Budget

Washington's Executive Ethics Board has an annual operating budget of \$530,988, 4 staff members and jurisdiction over 61,182 employees in the Executive branch of state government, not including approximately 38,000 higher education employees.

The Board's budget is derived from the Legal Services Revolving Fund and is separate from the AGO, and the Board must reimburse the AGO for all legal work as well as purchase all materials and supplies from that budget.

Staff:

Kate Reynolds, Executive Director
Ruthann Bryant, Administrative Officer
David Killeen, Senior Investigator
Daniel Davis, Investigator

Legal Counsel:

Bruce Turcott, Assistant Attorney General, Counsel to the Board
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

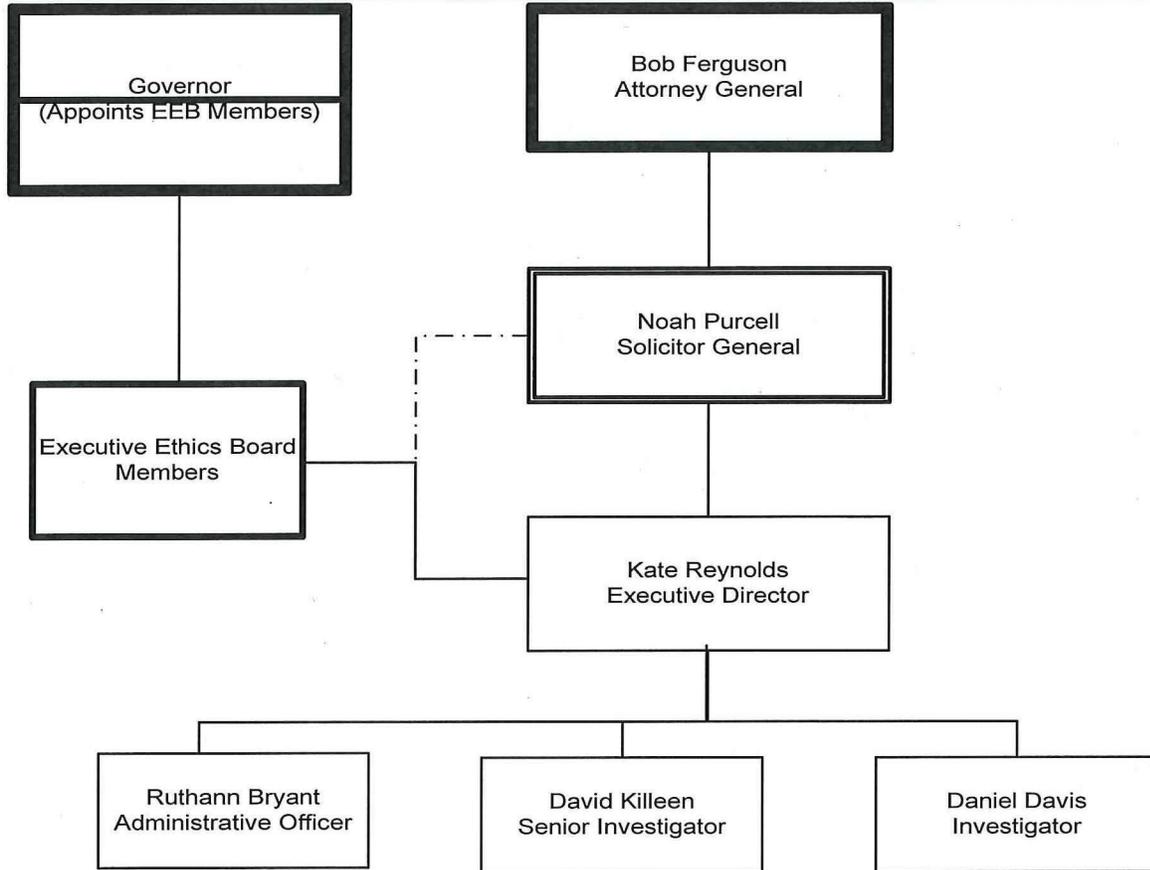
Telephone: 360-664-0871

Facsimile: 360-586-3955

Website: www.ethics.wa.gov

Email: ethics@atg.wa.gov

Organizational Chart



	Allegation	Violation	Penalty
Employee 1	A Department of Corrections employee took personal time away from work without submitting the proper leave slips.	RCW 42.52.160	\$5,500 with \$2,250 suspended
Employee 2	A Department of Corrections employee used state resources to promote and sell jewelry and nutrition products.	RCW 42.52.160	\$1,500 with \$750 suspended
Employee 3	A former Department of Enterprise Services employee used state resources for her personal benefit.	RCW 42.52.160	\$3,000 with \$1,500 suspended
Employee 4	A WSU employee taught a scuba class and owned a business that rented equipment to his students.	RCW 42.52.020, .030, .070, .160	\$1,500 with \$500 suspended
Employee 5	A Final Order of Default was entered against a former Pierce College employee who browsed the internet for over 4,500 minutes over 40 work days and for using state email and printer for personal use and for using her state SCAN number for personal calls.	RCW 42.52.160	\$ 3,000
Employee 6	A Final Order of Default was entered against a Pierce College employee who browsed the internet for 875 minutes over 28 days and used state email, printer and phone for her personal benefit.	RCW 42.52.160	\$2,000
Employee 7	An employee with DSHS Western State Hospital took time off without submitting leave slips.	RCW 42.52.160	\$3,000 with \$1,500 suspended
Employee 8	A former Department of Transportation employee used his influence in the outcome of an internal investigation involving his son.	RCW 42.52.020 and .070	\$1,500
Employee 9	A WWU employee used state resources to support his outside business, to store over 1,500 audio books, over 4,000 music files, 137 full length movies and rented a classroom to a nonprofit at a reduced rate.	RCW 42.52.020, .030, .070 and 160	\$6,000 with \$3,000 suspended
Employee 10	A DSHS – Western State Hospital employee took time off without submitting leave slips for over 129 hours of paid time that she was not at work.	RCW 42.52.160	\$3,500 with \$1,750 suspended
Employee 11	A Wenatchee Valley College professor used state resources in support of his homeschooling business.	RCW 42.52.160	\$2,500 with \$1,000 suspended
Employee 12	A Supervisor at DSHS used state resources in regards to her involvement with 4-H and entered into a personal contract with a film company for production at the facility where	RCW 42.52.020, .070, .160	\$8,000 with \$4,000 suspended

	she worked.		
Employee 13	A former Labor and Industries employee used a state vehicle for her personal use, had subordinates drive her to personal appointments, errands and shopping trips, to dog sit and to purchase items she was selling.	RCW 42.52.160	\$4,000
Employee 14	The former Deputy Director of the WA Traffic Safety Commission used state resources for his continuing education and outside business interests.	RCW 42.52.160	\$2,500 with \$1,000 suspended
Employee 15	A Department of Corrections employee used state resources when she visited non-work related websites including sites in which she would be compensated for providing product feedback.	RCW 42.52.160	\$2,500 with \$1,000 suspended
Employee 16	A former WWU employee used state resources for his personal use on approximately 54% of work days covered in the investigation.	RCW 42.52.160	\$2,000
Employee 17	A former DSHS employee used state resources by spending time and computer resources visiting online shopping sites to make personal purchases.	RCW 42.52.160	\$1,000
Employee 18	A faculty member at The Evergreen State College promoted a fundraising event for a Seattle City Councilmember running for reelection during a commencement ceremony held at the college.	RCW 42.52.180	\$1,000 with \$500 suspended
Employee 19	An employee of the Office of Minority and Woman's Business Enterprises used state resources for personal benefit and gain. This was his second ethics violation within 5 years.	RCW 42.52.160	\$3,500
Employee 20	A former Employment Security Department employee used agency time and resources for non-work related activities via the internet and her agency computer to store music, movies, photos and personal documents.	RCW 42.52.160	\$1,500
Employee 21	A former Department of Health employee used state computer resources for her personal benefit and to support her outside business.	RCW 42.52.160	\$3000