

Washington State Executive Ethics Board

Annual Report
2014

Table of Contents

MISSION STATEMENT 2

LEADERSHIP 2

GENERAL INFORMATION 5

BACKGROUND 6

Board Activities 6

Strategic Plan 6

Budget Proviso 8

Staff Activities 9

Enforcement Activities 9

Training 14

Organizational Chart 15

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

The Executive Ethics Board is comprised of five members, all appointed by the Governor. The members are as follows:

- (1) One member is a member of the classified service;
- (2) One member is a state officer or state employee in an exempt position;
- (3) One member is a citizen at large;
- (4) One member is a citizen selected from a list provided by the state auditor; and,
- (5) One member is a citizen selected from a list provided by the attorney general.

Except for initial members and those completing partial terms, members serve a single five-year term during which time they may not hold partisan or full-time nonpartisan elective office, make campaign contributions, or lobby other than on matters relating to the ethics law. The members play a crucial role in the policy setting and enforcement of the Ethics Act.

Lisa Marsh, (Served as Chair January 1 – December 31) was appointed by Governor Gregoire in March 2011. She is the Deputy Commissioner for the Employment Security Department. 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 over 25 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.

Anna Dudek Ross (Served as Vice Chair January 1 – December 31) was appointed by Governor Gregoire in May 2012 for a term of service extending through September 2016. Anna is a graduate of Macalester College and Vanderbilt University Law School. Anna worked as agency counsel for the U.S. Army Corps of Engineers and the Environmental Protection Agency, Region 10 focusing on environmental regulation and government contracting. She left federal service to serve as Deputy Counsel to a

presidential campaign. After the campaign, Anna founded and served as Managing Director of the Alaska office of a Seattle-based consulting firm. Anna is Associate Director of the Seattle University School of Law Center for Professional Development. Anna may frequently be found combing the beaches of Washington's myriad bodies of water with her husband and their Springer Spaniel.

Matthew Williams III, was nominated by State Auditor Brian Sonntag and appointed by Governor Christine Gregoire in November, 2009 for a term of service that extends until September, 2014. Mr. Williams is a retired Lieutenant Colonel, United States Army, and is a combat veteran of the Vietnam War (Bronze Star recipient) and Panama Incursion. Additionally, he is a tenured member of the U.S. Army Special Forces (*Green Berets*), and was the Senior Intelligence Officer for the 1st Special Operations Command (Airborne), Fort Bragg, N.C. Among his more distinguished military assignments, Mr. Williams was appointed Head of Delegation for NATO Intelligence Issues, NATO Headquarters, Brussels, Belgium, as well as serving as Adjunct Guest Lecturer at the Naval War College, Newport, Rhode Island. He is currently co-owner and educational training consultant with the *Fitz-Williams Group*, University Place, WA. Mr. Williams is a graduate of North Carolina Agricultural and Technical University, Greensboro, N.C., and holds a Bachelor of Science Degree in Business Administration. Moreover, he is a graduate of the Professional Teaching Certification Program at Saint Martin's University, Lacey, WA. He sings professionally in the local area.

Samantha Simmons was appointed by Governor Gregoire in October, 2012 for a term of service that extends until September, 2017 to fill the classified state employee board position. 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 Talent Outreach Manager in the recruitment 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.

Executive Director Melanie de Leon (January 1- April 15, 2014) was appointed to her position by Attorney General Rob McKenna in January 2008. Melanie graduated from the University of Puget Sound with degree in Business Administration. She spent the next 13 years as an Air Force officer. She completed a Master of Arts in Public Administration while in the Air Force. Upon leaving active duty, Melanie became a Quality Manager for a local software manufacturing company and worked her way up to run the manufacturing facility. During this time, Melanie completed her law degree at

Seattle University School of Law. She started working for the Attorney General's Office in 2001, prosecuting cases for the Office of the Insurance Commissioner, and then litigated juvenile dependencies and parental terminations. After a brief time as a criminal prosecutor, Melanie became a staff attorney for the Department of Health, working with the Medical and Chiropractic Commissions.

Executive Director Kate Reynolds was appointed by Attorney General Bob Ferguson on September 1, 2014. Prior to joining the Executive Ethics Board, Kate served as the Special Assistant to the Commissioner at the Washington State Office of the Insurance Commissioner where she worked on rulemaking about network requirements for insurance companies. Kate also spent time in the Attorney General's Office as an Assistant Attorney General where she represented state agencies in enforcement proceedings. While Kate's experience is largely in the public sector, during a brief hiatus from state employment, she worked for a local trustee's office doing Chapter 13 bankruptcies.

GENERAL INFORMATION

Biennial Budget: \$995,342

Board Members:

Lisa Marsh (3/14/11-9/30/15)
Anna Dudek Ross (5/2/12-9/30/16)
Matthew Williams III (11/7/09-9/30/14)
Samantha Simmons (10/2/12-9/30/17)
Sumeer Singla (1/21/14-9/30/18)

Staff:

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

Legal Counsel:

Bruce Turcott, Assistant Attorney General, Counsel to the Board
Chad Standifer, Assistant Attorney General, Counsel to Staff
and Chief Prosecutor

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BACKGROUND

The Executive Ethics Board (EEB) is an independent board made up of five individuals who are appointed by the Governor. The Office of the Attorney General provides staff for the Board. Board members strongly believe in the purpose of the Board: 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 for 2013-15:

Goals

Strategic goal #1: Strengthening the ethical culture and promoting a stronger ethical workforce within the executive branch of Washington State government.

The following three objectives support *Strengthening the Ethical Culture*:

- Objective 1.1 Enhance assistance to and oversight of agency ethics programs.
- Objective 1.2 Increase employee awareness of their ethics responsibilities.
- Objective 1.3 Increase focus on senior officials' role in implementing the ethics program.

Strategies for Objective 1.1

Ensure that ethics officials have the knowledge required to effectively carry out their duties by (1) expanding the number and type of training and education opportunities and (2) developing and maintaining an easily accessible database of informal ethics program advice.

EEB provides training and education opportunities to all ethics officials through classroom instruction, adult learning materials and on-line resources.

Action items:

- 1.1.1 Increase training opportunities offered by developing a web-based course and advanced instructor-led training.
- 1.1.2 Develop and maintain a system to centrally collect the informal advice the EEB provides and identify an appropriate mechanism to disseminate the advice

Strategies for Objective 1.2

Develop educational support for various sectors of the executive branch workforce.

Action items:

- 1.2.1. Develop educational materials focused on new employee orientations.
- 1.2.2. Develop specific educational materials for conflicts of interest, gifts and use of resources.
- 1.2.3. Ascertain the viability of mandating initial and refresher ethics training in the statute.

Strategies for Objective 1.3

Demonstrated enforcement of the ethics rules complements the training employees receive on the rules themselves. EEB will use data collected on administrative sanctions to reinforce the significance of the ethics program and will use the information to effectively focus education and outreach efforts.

Action items:

- 1.3.1. Develop and deploy ethics posters regarding enforcement actions.
- 1.3.2. Update Board Blotter with enforcement actions after each Board meeting.

Strategic goal #2: Promoting good governance.

EEB will seek to work with other local agencies that have responsibilities which are part of the larger goal of good governance. Additionally, by more proactively reaching out to the public and private sector about the executive branch ethics program, EEB promotes a better understanding of the standards expected of public servants.

OBJECTIVES

The following Objectives support *Promoting Good Governance*.

- Objective 2.1. Increase information sharing with federal, state and local agencies implementing programs that help support good governance.
- Objective 2.2. Increase outreach to the private sector.

Action items:

- 2.1.1. Board and Board staff attend other local government and private sector ethics meetings.
- 2.1.2. Determine viability of a joint ethics conference that would include local and state ethics boards/commissions.

Strategic goal # 3: Improve the complaint process to make filing easier and investigation time shorter.

OBJECTIVES

The following Objectives support *Improving the complaint process*.

Objective 3.1 Increase information to the public on the Board's jurisdiction and investigative process.

Objective 3.2 Simplify process for public to file complaints

Objective 3.3 Review investigative process as part of LEAN Governing initiative

Action items:

- 3.1.1 Develop citizen guide for filing complaints to help them understand the Board's jurisdiction and process.
- 3.1.2 Redesign website to make filing a complaint easier.
- 3.1.3 Review and reduce any waste found in the investigation process to reduce the time it takes to complete an investigation.

Concurrently, the Board must collect data and file an annual report to the Legislature regarding its progress on the legislative mandate contained in the Board's Operating Budget, which requires the Board to:

- (a) develop a statewide plan, with performance measures, to provide overall direction and accountability in all executive branch agencies and statewide elected offices;
- (b) coordinate and work with the commission on judicial conduct and the legislative ethics board;
- (c) assess and evaluate each agency's ethical culture through employee and stakeholder surveys, review Washington State Quality Award feedback reports, and publish an annual report on the results to the public; and
- (d) solicit outside evaluations, studies, and recommendations for improvements from academics, nonprofit organizations, the public disclosure commission, or other entities with expertise in ethics, integrity, and the public sector

Staff Activities

Personal Service Contract Managers

The Board staff annually gives a presentation at the Personal Service Contracts Overview, a 7-hour class for agency personnel who manage personal service contracts. In the presentation, the staff distributes informational materials and informs the agency personnel about conflicts of interest, post-employment laws, special privilege and use of state resources.

Ethics Advisors Group

The Ethics Advisors Group met the week following the Board meeting to discuss Board actions and to provide input to the Board staff regarding opinions and performance measures. Every state agency, board/commission and all public universities, community colleges and technical institutes now have an appointed ethics advisor as required by an amendment to the Ethics Act that was effective in July. Representatives from this group are currently working with Board members to update the Use of Resources rule.

Human Resource (HR) Managers Group

The Executive Director attended HR Managers meeting to provide information regarding ethical issues, elicit assistance regarding revisions to rules or policies and to gather input regarding training. These meetings helped disseminate information to agencies much quicker and have greatly enhanced the relationship and communication between the EEB staff and state agencies.

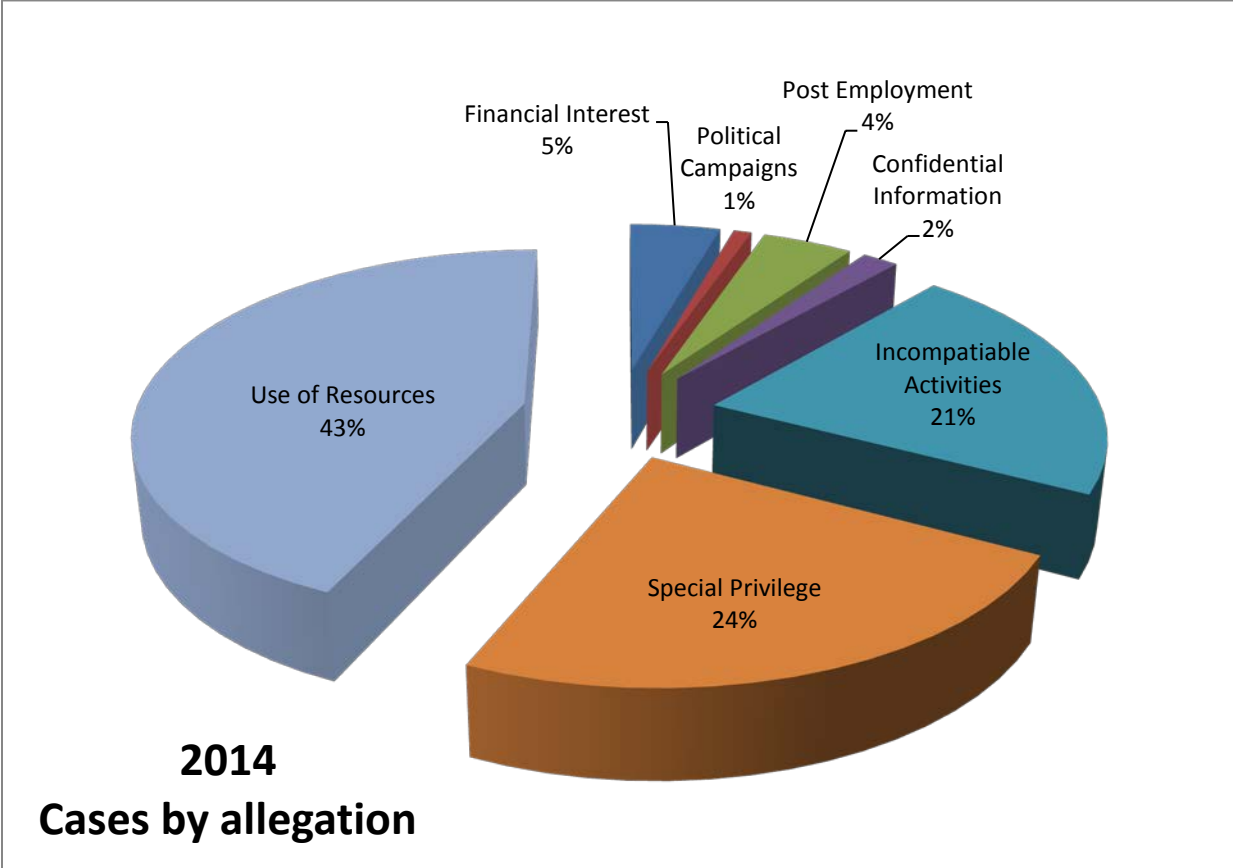
Northwest Ethics Network

In 2011, representatives of the Board joined the Northwest Ethics Network (the Network). It was created in 1993 by Seattle University's Albers School for Business and Economics and is a conglomerate of local ethical leaders from over 30 non-profit, corporate, and government organizations. Throughout 2014, Board staff continued to participate in the Network.

Enforcement Activities

Between January 1 and December 31, 2014 the EEB opened 100 new cases and currently has 59 open cases. The Board found Reasonable Cause in 19 cases, dismissed 27 cases and settled 35 cases with agreed stipulations, with civil penalties totaling more than \$145,900. 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 2014. Special privileges was the second most frequent allegation followed closely by activities incompatible with public duties.



The Board imposed penalties or accepted stipulated penalties from 35 state employees as follows:

	Allegation	Violation	Penalty
Employee 1	A former Military Department employee used state resources to download and play games on her state computer.	RCW 42.52.160	\$500 waived due to health issue
Employee 2	A former Washington State Patrol employee used his position to dismiss parking tickets and awarded himself a majority of available overtime.	RCW 42.52.160, .020, .030 and .070	\$60,000
Employee 3	An employee with Bates Technical College provided his spouse a special privilege when he hired her to teach classes.	RCW 42.52.020 and .070	\$1,750

Employee 4	An employee of the Employment Security Department used her state computer and email to correspond with a contractor, builder, developer and insurance agent while at work.	RCW 42.52.160	\$2,500
Employee 5	A former employee with the Department of Ecology used state resources for her massage therapy class requirements, including scheduling massages with her coworkers.	RCW 42.52.160	\$1,950
Employee 6	A former employee with Pierce College provided her spouse a special privilege when she hired him to teach classes.	RCW 42.52.160	\$1,750
Employee 7	An employee with Washington State Ferries used state resources to conduct internal union business.	RCW 42.52.160	Letter of Instruction
Employee 8	An employee with Washington State Ferries used state resources to conduct internal union business.	RCW 42.52.160	Letter of Instruction
Employee 9	An employee with Washington State Ferries used state resources to conduct union business.	RCW 42.52.160	Letter of Instruction
Employee 10	A former Office of the Superintendent of Public Instruction used state resources to send/receive over 300 emails promoting his invention.	RCW 42.52.160	\$2,750
Employee 11	An employee with the Department of Natural Resources used state resources for personal benefit and provided a special privilege to a vendor.	RCW 42.52.070 and 160	\$5,000
Employee 12	A former Labor and Industries employee used state monies to pay for seminar materials. He then took the materials with him when he left state service and completed the coursework.	RCW 42.52.160	\$1,000 and \$2,480 in agency restitution
Employee 13	A former South Puget Sound Community College employee allowed select students to access to the welding shop after hours and allowed a lab tech to make projects that she would later place for sale.	RCW 42.52.020, .070 and .160	\$3,000
Employee 14	An employee with The Evergreen State College used her state computer and email to support her outside business.	RCW 42.52.160	\$2,500
Employee 15	A former Department of Licensing employee accepted employment with a	RCW 42.52.080	\$750

	vendor on a contract he helped administer while employed with the state.		
Employee 16	A Military Department employee falsified time and attendance records by not appropriately accounting for leave and not submitting proper leave requests.	RCW 42.52.160	\$2,500
Employee 17	An employee with Eastern State Hospital accepted honoraria from pharmaceutical companies to promote their products and used her influence to promote their products with the state.	RCW 42.52.020, .070 and 160	\$10,000
Employee 18	An employee with the Department of Transportation used state resources to promote/support and outside non-profit organization.	RCW 42.52.160	\$500
Employee 19	An employee with the Department of Social and Health services used state resources to promote her outside business.	RCW 42.52.160	Letter of Instruction
Employee 20	An employee of The Evergreen State College created a position at the college and filled the position with a friend.	RCW 42.52.020 and .070	\$3,500
Employee 21	An employee of the Department of Social and Health Services sold Scentsy Candle products to clients under her control and used her position to sign and approve payment for the items.	RCW 42.52.020 and .030	\$2,000
Employee 22	A Department of Social and Health Services employee falsified mileage reimbursements and took time off work without submitting leave requests.	RCW 42.52.070	\$1,500 and \$1,170 to DSHS
Employee 23	An employee with the Department of Social and Health Services failed to notify her supervisor when her sister-in-law applied for a position within her department.	RCW 42.52.020	Letter of Instruction
Employee 24	A Department of Corrections shift supervisor conducted activities incompatible with public duties when he purchased a vehicle from one of his subordinates.	RCW 42.52.020	\$2,500
Employee 25	An employee of the Department of Corrections transported her spouse to work in her assigned state vehicle and used state resources for her personal benefit.	RCW 42.52.070 and .160	\$3,000

Employee 26	An employee with the Department of Social and Health services used state resources for his personal benefit.	RCW 42.52.160	\$4,000
Employee 27	A former IT Manager at the Historical Society used state equipment for her private benefit and to promote an outside non-profit organization.	RCW 42.52.160	\$3,000
Employee 28	A Central Washington University police officer used the agency's computer to conduct outside employment from work and spent time at his place of business during times he was on duty.	RCW 42.52.160	\$3,000
Employee 29	An employee of the Department of Early Learning used a state vehicle for unofficial state business and to transport family members.	RCW 42.52.160	\$3,000
Employee 30	A Department of Social and Health Services employee used state resources for his personal benefit.	RCW 42.52.160	\$2,000
Employee 31	An employee of the Department of Social and Health Services used state resources for personal benefit and allowed employees he supervised to access the internet on state computers for their personal benefit.	RCW 42.52.160	\$2,000
Employee 32	A Unit Supervisor, Department of Social and Health Services used state resources for his personal outside business as a sports official.	RCW 42.52.160	\$3,000
Employee 33	A Department of Social and Health Services employee accepted a gift in excess of the \$50 limit.	RCW 42.52.160	\$1,500
Employee 34	A supervisor with the Department of Social and Health Services used state resources to purchase airline tickets and arrange his travel plans.	RCW 42.52.160	\$500
Employee 35	The Lieutenant Governor used state resources, including staff and public office facilities to promote an outside organization.	RCW 42.52.020, .030, .070 and .160	\$15,000

Training

The EEB staff provided ethics training to over 1,400 state employees, travelling all across Washington to bring the training to agencies as well as offering an in-depth class in Olympia every other month for any state employee to attend free of charge. The Board also rolled out training through the Washington State Learning Management System in July of 2014. This online 90 minute training was completed by 13,902 state employees between July and December 2014.

Over the past year, the EEB Staff held 38 training sessions across the state. EEB staff also presented continuing legal education sessions for the Department of Social and Health Services, Department of Health, and the Attorney General's Office.

EEB Newsletter

The EEB Staff publishes a newsletter immediately following a Board meeting to inform state agencies of recent Board opinions and enforcement actions. These newsletters are posted on the ethics website for the public to read.

Outside Employment Contracts

Per 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 2014, the EEB Staff reviewed and approved 122 contracts.

Relationship Between the Office of the Attorney General and the Executive Ethics Board

