

BEFORE THE WASHINGTON STATE
EXECUTIVE ETHICS BOARD

In the Matter of:

DAVID HOLLINGSWORTH,
Respondent.

No. 09-011

STIPULATED FACTS,
CONCLUSIONS AND ORDER

I. STIPULATION

THIS STIPULATION is entered into under WAC 292-100-090(1) between the Respondent, DAVID HOLLINGSWORTH, and Board Staff of the WASHINGTON STATE EXECUTIVE ETHICS BOARD (Board) through MELANIE DeLEON, Executive Director. The following stipulated facts, conclusions, and agreed order will be binding upon the parties if fully executed, and if accepted by the Board without modification(s), and will not be binding if rejected by the Board, or if the Respondent does not accept the Board's proposed modification(s), if any, to the stipulation.

Section 1: PROCEDURAL FACTS

1.1. On February 9, 2009, the State Auditor's Office (SAO), published Whistleblower Report No. 1000606 that contained the finding that reasonable cause existed to believe that David Hollingsworth, manager of the Community Colleges of Spokane Employee Compensation and Accounts Payable Division, had violated the Ethics in Public Service Act, RCW 42.52, when he stored personal documents relating to outside business ventures on his state computer, and used his state computer to send and receive non-work-related emails.

1.2. On June 12, 2009, the Executive Ethics Board considered the evidence contained in the SAO report and initiated a complaint against David Hollingsworth.

1.3. The Board is authorized under RCW 34.05.060 to establish procedures for attempting and executing informal settlement of matters in lieu of more formal proceedings under the Administrative Procedures Act, including adjudicative hearings. The Board has established such procedures under WAC 292-100-090.

1.4. David Hollingsworth understands that if Board staff proves any or all of the alleged violations at a hearing, the Board may impose sanctions, including a civil penalty under RCW 42.52.480(1)(b) of up to \$5,000, or the greater of three times the economic value of anything received or sought in violation of chapter 42.52 RCW, for each violation found. The Board may also order the payment of costs, including reasonable investigative costs, under RCW 42.52.480(1)(c).

1.5. David Hollingsworth recognizes that the evidence available to the Board staff is such that the Board may conclude he violated the Ethics in Public Service Act. Therefore, in the interest of seeking an informal and expeditious resolution of this matter, the parties agree to entry of the stipulated findings of fact, conclusions of law and agreed order set forth below.

1.6. David Hollingsworth waives the opportunity for a hearing, contingent upon acceptance of this stipulation by the Board, or his acceptance of any modification(s) proposed by the Board, pursuant to the provisions of WAC 292-100-090(2) which provides 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 the respondent, the board shall enter an order in conformity with the terms of the stipulation. If the board rejects the stipulation or the respondent does not agree to the board's proposed modifications to the stipulation, the normal process will continue. The proposed stipulation and information obtained during formal settlement discussions shall not be admitted into evidence at a subsequent public hearing.

1.7. If the Board accepts this stipulation, the Board will release and discharge David Hollingsworth from all further ethics proceedings under chapter 42.52 RCW for matters arising out of the facts contained in the complaint in this matter, subject to payment of the full amount of the civil penalty due and owing, any other costs imposed, and compliance with all other terms

and conditions of the agreed order. David Hollingsworth in turn 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 agreed order.

1.8. If this Stipulation is accepted, this Stipulation and Order does not purport to settle any other claims between David Hollingsworth and the Washington State Executive Ethics Board, the State of Washington, or other third party, which may be filed in the future.

1.9. If this Stipulation is accepted, this Stipulation and Order is enforceable under RCW 34.05.578 and any other applicable statutes or rules.

1.10. If the Board rejects this stipulation, or if David Hollingsworth does not accept the Board's proposed modification(s), if any, David Hollingsworth waives any objection to participation at any subsequent hearing by any Board member to whom this stipulation was presented for approval under WAC 292-100-090(2). Further, David Hollingsworth understands and agrees that this proposed stipulation and information obtained during any formal settlement discussions held between the parties shall not be admitted into evidence at a subsequent public hearing, unless otherwise agreed by the parties.

Section 2: FINDINGS OF FACT

2.1. At all times pertinent, David Hollingsworth was employed by Community Colleges of Spokane as the manager of the Employee Compensation and Accounts Payable Division. In March 2006 he received ethics training as part of his new employee orientation.

2.2. On June 16, 2008, David Hollingsworth received a written reprimand for using state resources for personal gain. He was instructed to remove all personal documents from his state computer.

2.3. On July 31, 2008, the State Auditor's Office (SAO) received a Whistleblower complaint that alleged that David Hollingsworth was using state resources for personal gain.

2.4. The SAO investigation found family letters, checking account records, bankruptcy documents, personal letters, a passport application, and home appraisal and loan information on David Hollingsworth's state hard drive. Income tax returns prepared by David Hollingsworth, for profit, for individuals residing in Washington and Oregon were found. The investigation also revealed 190 non-work-related emails from 2006-2008 concerning mortgage loans and appraisals, mortgage rates, homes sales, loan data spreadsheets, mortgage training classes, personal credit card accounts and jokes. David Hollingsworth holds a mortgage loan originator license from the state of Washington. The SAO reviewed David Hollingsworth's internet use. For the time period June 20, 2008 through August 19, 2008, after he had received his first letter of reprimand, David Hollingsworth visited non-work-related websites, primarily game and sports sites, for approximately 11 hours. David Hollingsworth admitted to the SAO investigator that he played games on the Internet while talking on the phone.

2.5. On February 9, 2009, the State Auditor's Office (SAO), published Whistleblower Report No. 1000606 that contained the finding that reasonable cause existed to believe that David Hollingsworth violated the Ethics in Public Service Act, RCW 42.52.

2.6. On June 12, 2009, the Executive Ethics Board (Board) considered the evidence contained in the SAO report and initiated a complaint against David Hollingsworth. Board staff has completed its preliminary review.

Section 3: CONCLUSIONS OF LAW

3.1. Pursuant to chapter 42.52 RCW, the Executive Ethics Board has jurisdiction over David Hollingsworth and over the subject matter of this complaint.

3.2. Pursuant to WAC 292-100-090(1), the parties have the authority to resolve this matter under the terms contained herein, subject to Board approval.

3.4. A state officer or employee is prohibited under RCW 42.52.160 from using state resources for private gain.

3.5. Based on Findings of Fact 2.1 through 2.6, David Hollingsworth used state resources in violation of RCW 42.52.160.

3.7. The Board is authorized to impose sanctions for violations to the Ethics Act pursuant to RCW 42.52.360. The Board has set forth criteria in WAC 292-120-030 for imposing sanctions and consideration of any mitigating or aggravating factors.

II. AGGRAVATING AND MITIGATING FACTORS

In determining the appropriateness of the civil penalty, the criteria in WAC 292-120-030 has been reviewed. Aggravating factors include that David Hollingsworth had significant management or supervisory responsibility; that he received a letter of reprimand in June 2008 but the personal use continued after that date; that the violations were continuing in nature, and involved personal gain. Mitigating factors include that David Hollingsworth received a second letter of reprimand dated January 7, 2009, and was notified on January 30, 2009 that his contract with Community Colleges of Spokane would end on June 30, 2009 and would not be renewed.

III. AGREED ORDER

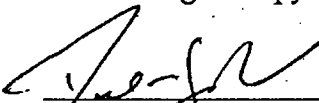
3.1. For the violation of RCW 42.52.160, David Hollingsworth will pay a civil penalty in the amount of one thousand dollars (\$1,000.00).

3.2. The civil penalty of \$1,000.00 is payable to the state Executive Ethics Board within forty-five (45) days of approval of this Stipulation and Order by the Board, or as otherwise agreed to by the parties.

CERTIFICATION

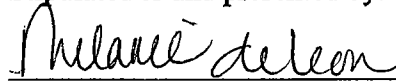
I, David Hollingsworth hereby certify that I have read this Stipulation and Agreed Order in its entirety; that my counsel of record, if any, has fully explained the legal significance and

consequence of it; that I fully understand and agree to all of it; and that it may be presented to the Board without my appearance. I knowingly and voluntarily waive my right to a hearing in this matter; and if the Board accepts the Stipulation and Agreed Order, I understand that I will receive a signed copy.



David Hollingsworth Date
Respondent 5/11/10

Stipulated to and presented by:



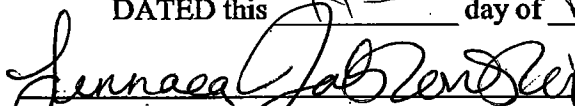
Melanie deLeon Date
Executive Director 5/12/10

IV. ORDER

Having reviewed the proposed Stipulation, WE, THE STATE OF WASHINGTON EXECUTIVE ETHICS BOARD, pursuant to WAC 292-100-090, HEREBY ORDER that the Stipulation is

- ACCEPTED in its entirety;
- REJECTED in its entirety;
- MODIFIED. This Stipulation will become the Order of the Board if the Respondent approves* the following modification(s):

DATED this 11th day of May, 2010.



Linnaea Jablonski, Chair



Michael F. Connelly, Vice Chair



Neil Gorrell, Member



Martin Biegelman, Member



Matthew Williams III, Member

* I, David Hollingsworth, accept/do not accept (circle one) the proposed modification(s).

David Hollingsworth, Respondent

Date