

BEFORE THE WASHINGTON STATE  
EXECUTIVE ETHICS BOARD

In the Matter of:

[REDACTED]

Respondent.

No. 2011-001

STIPULATED FACTS,  
CONCLUSIONS AND ORDER

**I. STIPULATION**

THIS STIPULATION is entered into under WAC 292-100-090(1) between the Respondent, [REDACTED] 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 January 4, 2011, the Executive Ethics Board received a referral from the State Auditor's Office (SAO) alleging that [REDACTED] an employee of the State of Washington, Department of Social and Health Services (DSHS), may have violated state law when she used state resources to run an outside business for private financial gain. The Board reviewed this referral and issued a complaint on March 11, 2011.

1.2. 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.

1.3. [REDACTED] 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).

1.4. [REDACTED] recognizes that the evidence available to the Board staff is such that the Board may conclude she 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.

1.5. [REDACTED] waives the opportunity for a hearing, contingent upon acceptance of this stipulation by the Board, or her 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.

1.6. If the Board accepts this stipulation, the Board will release and discharge [REDACTED] 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. [REDACTED] 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.

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

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

1.9. If the Board rejects this stipulation, or if [REDACTED] does not accept the Board's proposed modification(s), if any, this matter will be scheduled for an administrative hearing in front of the Board and [REDACTED] waives any objection to participation by any Board member at any subsequent hearing to whom this stipulation was presented for approval under WAC 292-100-090(2). Further, [REDACTED] 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. [REDACTED] was an Office Assistant 2 for the Health Recovery Services Administration, Department of Social and Health Services for all times pertinent to this matter.

2.2. On, December 20, 2010, the SAO, issued Whistleblower Report No. 1004838, which contained a finding of reasonable cause to believe that an improper governmental action had occurred. Specifically, the SAO report cited that [REDACTED]

1. Displayed brochures and catalogs at her work station for a cosmetics business that she ran for private gain.
2. Placed brochures for her cosmetics and wine selling business at a booth during a state sponsored employee recognition event.
3. Accepted handwritten orders for sales at work.
4. Received and responded to e-mail using her state computer about the status of orders.

2.3. The SAO reviewed [REDACTED] state computer hard drive and e-mails between 2007 and July 2010. They found e-mails related to her private businesses and

other personal information. [REDACTED] hard drive contained e-mails to other state employees regarding the scheduling of wine-tasting events, the status of cosmetic orders and e-mails regarding a wine club membership.

2.4. When interviewed by the SAO, [REDACTED] admitted that she thought she could do her cosmetics business at work as long as she did so on her lunchtime and during breaks.

### Section 3: CONCLUSIONS OF LAW

3.1. Pursuant to chapter 42.52 RCW, the Executive Ethics Board has jurisdiction over [REDACTED] 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 and WAC 292-110-010 from using state resources to conduct activities for private financial gain.

3.5. Based on Findings of Fact 2.1 through 2.4, [REDACTED] used state resources in violation of RCW 42.52.160, WAC 292-110-010 and agency policy.

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.

### Section 4: AGGRAVATING AND MITIGATING FACTORS

4.1 It is an aggravating factor that [REDACTED] actions involved personal gain.

4.2 It is a mitigating factor that [REDACTED] received incorrect information from her supervisor regarding transacting private business in a state facility.

**Section 5: AGREED ORDER**

5.1. For the violation of RCW 42.52.160, [REDACTED] will pay a civil penalty in the amount of one thousand dollars (\$1,000).

5.2. The civil penalty of \$1,000 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 agreed by the parties.

**CERTIFICATION**

I, [REDACTED] 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.

[REDACTED] 10/16/11  
ate  
Respondent

Stipulated to and presented by:

Melanie deLeon 10/14/11  
Melanie deLeon Date  
Executive Director

