BEFORE THE WASHINGTON STATE
EXECUTIVE ETHICS BOARD

In the matter of:  
QUEENIE BAKER,  
Respondent.

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND FINAL ORDER

I. PROCEDURAL HISTORY

1.1 On July 21, 2016, the Executive Ethics Board (Board) initiated a complaint after an investigation and referral by the State Auditor’s Office (SAO) regarding personal use of the Seattle Colleges procurement card (Pro-card) by Queenie Baker (Ms. Baker).

1.2 On January 19, 2018, the Board found reasonable cause to believe that a violation of the Ethics Act was committed.

1.3 On February 25, 2018, the Executive Ethics Board Staff (Board Staff) and the Respondent filed Stipulated Facts and Conclusions of Law (Stipulation), resolving all issues in the case with the exception of determining the appropriate penalty, if any.

1.4 After due and proper notice, a hearing was held on the appropriate penalty in this matter. The hearing was held at the Board offices at Bristol Court in Olympia, Washington, convening on July 12, 2019. ALJ TJ Martin from the Office of Administrative Hearings conducted the proceedings, and Board Chair Shirley Battan, and members Lisa Marsh,
1 Anna Dudek Ross, and Gerri Davis were present. Also present were Assistant Attorneys General
2 Bruce L. Turcott and Michelle A. Carr, legal advisors to the Board.
3 1.5 Chad C. Standifer, Assistant Attorney General for Board Staff, was present. The
4 Board’s Executive Director, Kate Reynolds, and other Board Staff members were present.
5 1.6 Louis Manuta, King County Department of Public Defense, appeared
6 telephonically, representing Ms. Baker.
7 1.7 Board Staff filed Board Staff’s Penalty Brief.
8 1.8 Ms. Baker filed Respondent’s Brief.
9 1.9 The proceedings were recorded and open to the public.
10 1.10 The hearing was adjourned on July 12, 2019.
11 Based on the Stipulation and evidence presented, the Board enters the following Findings’
12 of Fact, Conclusions of Law, and Final Order:
13
14 II. FINDINGS OF FACT
15 2.1 Seattle Colleges is comprised of three campus locations. Ms. Baker worked from
16 the Seattle Central College (SCC) campus. Ms. Baker served as the Director of Distance
17 Learning for SCC since February 1993. For all times pertinent to this investigation, she was
18 employed as the Director of Distance Learning. In February 2015, following the investigation,
19 Ms. Baker was terminated from employment.
20 2.2 The Distance Education Department is comprised of three departments with a
21 Dean and five employees. A Dean was assigned to oversee the Department in 2014. Until then,
22 in her position as Director, Ms. Baker essentially oversaw the Department.
23 2.3 Seattle Colleges uses a central procurement card-processing group that is
24 responsible for issuing credit cards, called “Pro-cards”, setting guidelines for use, performing
25 various reviews and audits of credit card activity, processing payments and other administrative
26 functions.
27 2.4 Ms. Baker was issued a Pro-card in December 2008 and signed a cardholder
agreement, which includes the following language:

- I understand I am the only person authorized to use this card and shall use it only for the official business of the Seattle Colleges.
- I understand that the use of this card for personal purchases may constitute fraud and could be cause for serious disciplinary action.
- I agree to adhere to the provisions of Chapter 42.52 RCW Ethics in Public Service.
- I further abide by restrictions related to the Pro-Cards as specified in the General Guidelines for Procurement Cards.

2.5 Cards were issued through US Bank. Each month, cardholders were required to review and accept or dispute each transaction made during the statement period. Cardholders logged onto US Bank online to review detailed transaction information. Cardholders reviewed transactions by checking a box next to the transaction. Once the cardholder reviewed the monthly statement details, they provided the reviewed statement and supporting documentation for transactions to their manager or purchase card-approving officer. The officer or manager reviewed the documentation to ensure transactions were for business purpose and were necessary and reasonable. The manager then signed and dated the statement as indication of their approval. The cardholder maintained documentation of the monthly review at their respective location.

2.6 Central Procurement is responsible for performing audits of credit cards, monitoring whether credit card statements have been reviewed online by cardholders, and monitoring card activity for inappropriate transactions. Additionally, at random, they run reports from US Bank by commodity code. There are certain commodity codes that employees are restricted from making purchases in. These codes include hotels, bars, financial institutions, jewelry stores and various others. The report is run for all cards for a four to six-month period. The reports are then reviewed for activity in these particular commodity codes.

2.7 In January 21, 2015, Miguel Gatmaytan (Mr. Gatmaytan), Purchasing Card Program Specialist, performed such a review. He identified a purchase of show tickets ($199.98) made on January 18, 2015, at the Luxor Hotel in Las Vegas on the card assigned to Ms. Baker. School officials confirmed that Ms. Baker was on a scheduled vacation to Las Vegas from January 20-26, 2015. This discovery led to further review of Ms. Baker’s card activity.
2.8 Mr. Gatmaytan identified several other questionable purchases and alerted school officials including: Ms. Baker’s supervisor, Stephanie Delaney (Ms. Delaney), Dean of Extended Learning; Craig Bush (Mr. Bush), Procurement Director; Kurt Buttleman (Mr. Buttleman), Vice Chancellor for Finance and Technology; and Michael Pham (Mr. Pham), Vice President of Administrative Services. Mr. Buttleman contacted the SAO to report the suspected fraudulent activity.

2.9 In addition to the purchase of show tickets at the Luxor Hotel, Mr. Gatmaytan’s initial review included transactions from July 1, 2014, to January 16, 2015. He discovered a high volume of activity, totaling 444 transactions and approximately $30,198 worth of purchases. Questionable transactions included:

- Amazon
- JCPenney.com
- Bare Necessities (Women’s lingerie, bras, swimwear, etc.)
- Zulily (Online clothing store)
- Sephora.com (Cosmetics)
- Etsy.com
- Macy’s.com
- Groupon
- Columbia Sportswear
- T-Mobile
- Avon Online

2.10 Although the school did not know the full extent of the misappropriation at the time, Human Resources Director Kathryn Woodley (Ms. Woodley) met with Ms. Baker and her spouse, at Ms. Baker’s request, on January 29, 2015, to discuss some of the initial audit findings.

2.11 Ms. Woodley provided written documentation of that meeting to school officials. Ms. Woodley indicated that Ms. Baker admitted to using the school Pro-card for personal purchases. During the meeting, Ms. Baker asked her if she knew the amount she had charged to the card. Ms. Woodley told her that the audit was ongoing, but seemed to be in the neighborhood of $25,000. Ms. Baker’s spouse offered that they might be able to repay the college if that was all that was owed. Ms. Woodley advised them that the amount was only an estimate and the review was ongoing.
2.12 During the meeting, Ms. Baker told Ms. Woodley that she did not know why she had used the card for personal purchases, but seemed to indicate that the spending was linked to depression that she has been treated for in the past. Ms. Baker mentioned a serious auto accident that she had been in during 2014 as contributing to her increased depression and resulting spending.

2.13 On January 30, 2015, Ms. Baker attended a scheduled audit meeting with Ms. Woodley as well as Mr. Pham and Ms. Delaney. Her union representative, Nancy Kennedy (Ms. Kennedy), was also present. Ms. Baker was presented with her credit card transactions dating back to July 2014 (approximately 6 months) which totaled approximately $30,000. Ms. Baker was advised that according to their initial review, more than $25,000 worth of the purchases in that six-month period were for personal use. Ms. Baker did not deny many of her purchases were personal and she provided some receipts for her personal purchases.

2.14 Ms. Woodley’s documentation of the meeting indicates that Ms. Baker could not explain why she had used the card for personal use. Some of the items she recalled purchasing, others she did not. Ms. Baker told them that not all of the items she purchased were for personal use; some were for use by the department. She again inquired about the possibility of making restitution. She also acknowledged that the personal purchases had been occurring for many years, not just since July 2014.

2.15 Ms. Woodley also noted that during the meeting, Ms. Baker did not seem very coherent. She was crying and apologizing for her actions. When told by Mr. Pham there was the potential for criminal charges, Ms. Baker “completely broke down and began sobbing uncontrollably.” The meeting adjourned shortly after.

2.16 On February 4, 2015, following a Loudermill hearing, Ms. Baker was dismissed from employment effective February 5, 2015.

2.17 As the situation continued to emerge and school officials began to better understand the scope of the fraudulent purchases, the investigation was turned over to the SAO.
Seattle Colleges facilitated the investigation by providing much of the supporting documentation.

2.18 The initial review by the SAO determined several things:

- The SAO review period of Ms. Baker's activity was from 2009-2015, when US Bank credit card statements were available.
- From July 2009 through January 2015, there were 1,651 transactions totaling $163,675 on the cards issued to Ms. Baker.
- After review of card activity and supporting documentation the SAO separated Ms. Baker's transactions into categories (legitimate, misappropriated, questionable)

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legitimate</td>
<td>$66,793</td>
</tr>
<tr>
<td>Misappropriated</td>
<td>$50,712</td>
</tr>
<tr>
<td>Questionable</td>
<td>$46,169</td>
</tr>
</tbody>
</table>

2.19 After review of Ms. Baker's transactions, the top five vendors were selected to subpoena for supporting documentation.

- Amazon: $29,791.32
- Apple: $9,890.05
- Staples: $5,742.28
- Office Depot: $4,636.21
- Verizon: $3,740.75

2.20 For purposes of this investigation, Board staff examined Ms. Baker's Pro-card transactions for 2013 and 2014 as well as the period of January 1-21, 2015, after which Ms. Baker's card access was turned off.

2.21 In January 2015, Ms. Baker used her Pro-card to make 81 transactions. Of these, only one transaction was deemed legitimate. Sixty-seven (67) transactions were identified as misappropriated, and thirteen (13) were identified as questionable.

<table>
<thead>
<tr>
<th>Type of Transaction</th>
<th>Number of Transactions</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misappropriated</td>
<td>67</td>
<td>$3,515.57</td>
</tr>
<tr>
<td>Questionable</td>
<td>13</td>
<td>$765.01</td>
</tr>
<tr>
<td>Legitimate</td>
<td>1</td>
<td>$151.13</td>
</tr>
</tbody>
</table>

2.22 Ms. Baker's January 2015 transactions included some of the following purchases:
• **Amazon:** Forty-Five (45) transactions totaling $1,498.34. Items included clothing and shoes, jewelry, makeup and skincare products, exercise products and housewares.

• **Etsy.com:** Five transactions totaling $215.83 for handmade and vintage items.

• **Zulily:** Three transactions totaling $618.83 for clothing.

• **Luxor Show tickets** (Las Vegas): totaling $199.98.

2.23 In 2014, Ms. Baker used her Pro-card for 1,193 transactions totaling $50,336. Of the 1,193 transactions, 754 transactions were identified as transactions involving misappropriation and 323 transactions were identified as questionable.

<table>
<thead>
<tr>
<th>Type of Transaction</th>
<th>Number of Transactions</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misappropriated</td>
<td>754</td>
<td>$32,349.12</td>
</tr>
<tr>
<td>Questionable</td>
<td>323</td>
<td>$8,147.27</td>
</tr>
<tr>
<td>Legitimate</td>
<td>116</td>
<td>$12,271.66</td>
</tr>
</tbody>
</table>

2.24 The majority of Ms. Baker’s 2014 misappropriated transactions were purchases made through Amazon, 445 personal transactions totaling $19,415. Purchases included:

- Numerous pieces of jewelry and men’s and women’s watches (10) totaling over $1,900.
- Twenty-six (26) pair of men’s and women’s running shoes/casual shoes/slippers, totaling over $2,100 (several pairs were returned to Amazon).
- Exercise related items (Fitbit and accessories, clothing, workout equipment, vitamins, supplements etc.).
- ASUS Gaming Laptop $1,960.04.
- Apple iMac desktop computer $1,679.49.
- Ricoh Digital Camera $264.95.
- Seattle Seahawks Commemorative Helmet $249.99.
- Portable Air Conditioner Unit $249.99.
- Numerous handbags, purses, men’s and women’s wallets.
- Household items and toiletries (laundry detergent, medicines, vitamins, beauty/skincare products).

2.25 In addition to Amazon, Ms. Baker made a number of personal purchases including:

- **Apple:** Four MacBook Air laptops were purchased in July, September and October totaling $5,205.64. The items were shipped to Ms. Baker’s personal address. The IT Department was not involved in the purchases, and the items could not be located during a fixed asset inventory.

- **Office Depot and Staples:** Ms. Baker purchased gift cards (Visa, MasterCard, Starbucks and various restaurants etc.) totaling $1,927.21. Gift card purchase are strictly prohibited per college policy and OFM.

- **Zulily:** Ten separate clothing purchases totaling $2,393.57.
• **Columbia Sportswear:** Three separate purchases during November and December 2014 for jackets, gloves and hats costing $747.45.

2.26 In 2013, Ms. Baker used the school issued Pro-card for 297 transactions totaling $27,886. The SAO investigation determined ninety-six (96) transactions were misappropriations totaling $5,150.58. Seventy-three (73) transactions were determined to be questionable totaling $9,203.96.

<table>
<thead>
<tr>
<th>Type of Transaction</th>
<th>Number of Transactions</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misappropriated</td>
<td>96</td>
<td>$5,180.58</td>
</tr>
<tr>
<td>Questionable</td>
<td>73</td>
<td>$9,203.96</td>
</tr>
<tr>
<td>Legitimate</td>
<td>128</td>
<td>$13,502.20</td>
</tr>
</tbody>
</table>

2.27 The majority of Ms. Baker's 2013 misappropriated transactions were made through Amazon, and included:

- Beauty, make-up and skin care products $465.90
- Sling Media Slingbox (remote streaming device for TV) $326.31
- Slender Tone Flex Pro Arms training system/Flex Belt ab belt $293.05
- Mattress topper, mattress pad covers, sheets, pillowcases $238.67
- Epson Photo scanner $211.28
- Beats wireless bluetooth speaker $199.95
- Bonavita 1800 Coffee maker $164.24
- Adult costumes and costume accessories (Grecian Goddess, Julius Caesar, Sweet Daddy Beaujolais, Discolicious adult costume/wig) $137.87
- Women's Doc Marten Boots $113.87.

2.28 Other vendors with whom Ms. Baker made fraudulent transactions in 2013 included:

- **Staples:** Gift cards to various merchants totaling $350.00
- **Cheap Moving Boxes:** $327.17
- **USPS:** Postal Shipping costs for items shipped to family in Vallejo, CA $116.45

2.29 In reviewing Ms. Baker's transactions from 2009-2015 Board staff determined that the majority of transactions ($41,045) occurred between 2013 and January 2015.

<table>
<thead>
<tr>
<th>Year (January)</th>
<th>Number of Transactions</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>67</td>
<td>$3,515.57</td>
</tr>
<tr>
<td>2014</td>
<td>754</td>
<td>$32,349.12</td>
</tr>
<tr>
<td>2013</td>
<td>96</td>
<td>$5,180.58</td>
</tr>
</tbody>
</table>

2.30 In February 2017, Board staff spoke briefly with Ms. Baker. Ms. Baker said she could not explain why she began making the personal purchases using the Pro-card. She
mentioned her car accident in 2014, and spoke of the depression she went into because of her injuries. During the conversation, Ms. Baker asked, “do you believe in karma?” She indicated that she is unable to find employment because of the incident. She said she lost her house because of financial difficulties that followed.

2.31 Following the conversation with Ms. Baker, Board Staff learned that the King County Prosecutors Office had filed theft charges in March 2017.

2.32 Ms. Baker pled guilty to theft in the 1st degree in King County Superior Court on February 5, 2018. As a result of Ms. Baker’s plea she received 40 days confinement with 30 days converted to community service. In addition, Ms. Baker was ordered to pay $50,712.90 in restitution back to Seattle Colleges.

2.33 Board staff requested a penalty of $1,000 for each violation, totaling $3,000. Board staff asserts that this penalty is appropriate in light of the criminal prosecution and resulting sentence imposed on Ms. Baker.

2.34 Ms. Baker contends that “the total monetary value of the theft would likely have been far less had Seattle Central College employees done their due diligence” and blames other employees’ failures to adequately review Ms. Baker’s credit card statements for allowing the theft to continue unabated for so many years.

2.35 Ms. Baker argues that because she is required to pay back the amount of “misappropriated” funds, “any additional penalty would be an excessive, undue punishment.”

2.36 Ms. Baker also contends that no penalty should be imposed as she has already been significantly penalized, including the termination of her marriage, criminal penalties, deterioration of her health, and difficulties finding full-time employment at the level of her former position. Further, Ms. Baker argues that because she is no longer a public employee, a penalty would not serve as a deterrent to future bad behavior.

\[1\] Ms. Baker was not required to pay back any portion of the “questionable” transactions.
III. CONCLUSIONS OF LAW

3.1 The Board has jurisdiction to hear this matter pursuant to RCW 42.52.360(1), which authorizes the Board to enforce the Ethics Act with respect to employees in the executive branch of state government. The Board has jurisdiction over Queenie Baker, whose actions occurred while she was a state employee. The complaint was filed in accordance with RCW 42.52.410, the Board found reasonable cause pursuant to RCW 42.52.420, and an adjudicative proceeding was conducted pursuant to RCW 42.52.430, .500. All the required procedural notices have been provided.

3.2 The Ethics Act governs the conduct of state officers and employees. Under RCW 42.52.430(5), a violation must be established by a preponderance of the evidence.

3.3 RCW 42.52.020 provides that no state employee:

[M]ay have an interest, financial or otherwise, direct or indirect, or engage in a business or transaction or professional activity, or incur an obligation of any nature, that is in conflict with the proper discharge of the state officer's or state employee's official duties.

3.4 RCW 42.52.070 states:

Except as required to perform duties within the scope of employment, no state officer or state employee may use his or her position to secure special privileges or exemptions for himself or herself, or his or her spouse, child, parents, or other persons.

3.5 RCW 42.52.160(1) states:

No state officer or state employee may employ or use any person, money, or property under the officer’s or employee’s official control or direction, or in his or her official custody, for the private benefit or gain of the officer, employee, or another.

3.6 Based on the above stated stipulated Findings of Fact, the Board concludes that Ms. Baker, by a preponderance of the evidence, violated RCW 42.52.020 by acting in a manner incompatible with her public duties. The Board also concludes that Ms. Baker violated RCW 42.52.070 by using her position to secure a special privilege for herself in violation of
RCW 42.52.070. Finally, the Board concludes that Ms. Baker violates RCW 42.52.160 by using state resources for her personal benefit.

3.7 Under RCW 42.52.480, the Board may impose a civil penalty of up to $5,000 per violation or three times the economic value of anything received or sought in violation of the Ethics Act, whichever is greater. The Board concludes that a $50,712 penalty is appropriate, as follows: $16,904 for Ms. Baker’s violation of RCW 42.52.020; $16,904 for Ms. Baker’s violation of RCW 42.52.070; and $16,904 for Ms. Baker’s violation of RCW 42.52.160. The factors discussed below support this penalty.

3.8 In determining the appropriate sanction, the Board may review the nature of the violation, as well as the aggravating circumstances and mitigating factors set forth in WAC 292-120-030. The Board may consider the monetary cost of the violation, including the cost of the violation to the state and the value of anything received or sought in the violation. Id. Here, the cost to the state for the illegal purchases made by Ms. Baker was substantial. Ms. Baker purchased thousands of dollars of merchandise for herself and others over the course of several years. Her violations were: continuing in nature; motivated by financial gain; involved criminal conduct; tended to significantly reduce public respect for or in state government or state government officers or employees; and involved personal gain or special privilege to the violator. WAC 292-120-030(2)(a),(b),(c), (e), and (f). It is an aggravating factor that Ms. Baker, as the Director of Distance Learning for Seattle Central College, had significant official, management, and supervisory responsibility. WAC 292-120-030(3)(d).

3.9 In a criminal case brought based on her conduct, Ms. Baker pled guilty to theft in the 1st degree, serving 10 days confinement and 30 days community service, and was ordered to pay $50,712.90 in restitution back to Seattle Colleges. The Board considered Ms. Baker’s prior corrective action and recovery of damages to the state as mitigating factors under WAC 292-120-030(4)(a) and (b) in this case when it decided not to penalize a greater amount.
3.10 Based on the factors discussed above, and the overall egregious nature of the violations in this matter, the Board does not find that waiving the imposition of a penalty as requested by Ms. Baker would be appropriate.

IV. FINAL ORDER

4.1 Based upon the foregoing Findings of Fact and Conclusions of Law, it is hereby ordered that Queenie Baker is assessed a total monetary civil penalty of $50,712 based on her violations of RCW 42.52.020, RCW 42.52.070 and RCW 42.52.160. The Board suspends $45,641 on the condition that if Ms. Baker ever returns to state employment she commits no further violations of RCW 42.52 for a period of two years from the date of employment.

4.2 The total amount of $5,071 is payable in full within 90 days of the effective date of this order.

DATED this 28th day of August 2019.

WASHINGTON STATE EXECUTIVE ETHICS BOARD

Shirley Battan, Chair
APPEAL RIGHTS

RECONSIDERATION OF FINAL ORDER – BOARD

Any party may ask the Executive Ethics Board to reconsider a Final Order. The request must be in writing and must include the specific grounds or reasons for the request. The request must be delivered to Board office within 10 days after the postmark date of this order.

The Board is deemed to have denied the request for reconsideration if, within 20 days from the date the request is filed, the Board does not either dispose of the petition or serve the parties with written notice specifying the date by which it will act on the petition. RCW 34.05.470.

The Respondent is not required to ask the Board to reconsider the Final Order before seeking judicial review by a superior court. RCW 34.05.470.

FURTHER APPEAL RIGHTS – SUPERIOR COURT

A Final Order issued by the Executive Ethics Board is subject to judicial review under the Administrative Procedure Act, chapter 34.05 RCW. See RCW 42.52.440. The procedures are provided in RCW 34.05.510 -.598.

The petition for judicial review must be filed with the superior court and served on the Board and any other parties within 30 days of the date that the Board serves this Final Order on the parties. RCW 34.05.542(2). Service is defined in RCW 34.05.542(4) as the date of mailing or personal service.

A petition for review must set forth:

(1) The name and mailing address of the petitioner;

(2) The name and mailing address of the petitioner’s attorney, if any;

(3) The name and mailing address of the agency whose action is at issue;

(4) Identification of the agency action at issue, together with a duplicate copy, summary, or brief description of the agency action;
(5) Identification of persons who were parties in any adjudicative proceedings that led to
the agency action;

(6) Facts to demonstrate that the petitioner is entitled to obtain judicial review;

(7) The petitioner’s reasons for believing that relief should be granted; and

(8) A request for relief, specifying the type and extent of relief requested.

RCW 34.05.546.

ENFORCEMENT OF FINAL ORDERS

If there is no timely request for reconsideration, this is the Final Order of the Board. The
Respondent is legally obligated to pay any penalty assessed.

The Board will seek to enforce a Final Order in superior court and recover legal costs
and attorney’s fees if the penalty remains unpaid and no petition for judicial review has been
timely filed under chapter 34.05 RCW. This action will be taken without further order by the
Board.
CERTIFICATION OF MAILING

This certifies that a copy of the above Final Order was served upon the parties by depositing a copy of same in the United States mail, postage prepaid, addressed to the following:

Louis Manuta
Civil Collateral Consequences Attorney
King County Department of Public Defense
710 2nd Ave, Ste 250
Seattle WA 98104

Chad C. Standifer
Office of the Attorney General
P.O. Box 40100
Olympia, WA 98504-0100

Michelle A. Carr
Office of the Attorney General
P.O. Box 40110
Olympia, WA 98504-0110

State of Washington )
County of Thurston ) ss.

I certify that I have this day served a copy of this document upon all parties in this proceeding, as listed, by mailing a copy thereof, properly addressed and postage prepaid, to each party to the proceeding or his or her attorney or agent.

Olympia, Washington, this day of , 2019.

RUTHANN BRYANT
Administrative Officer