

BEFORE THE WASHINGTON STATE
EXECUTIVE ETHICS BOARD

In the Matter of:

Stefanie Karney

Respondent.

No. 2018-045

STIPULATED FACTS,
CONCLUSIONS OF LAW AND
AGREED ORDER

THIS STIPULATION is entered into by Respondent, Stefanie Karney, and Board Staff of the WASHINGTON STATE EXECUTIVE ETHICS BOARD (Board) through KATE REYNOLDS, Executive Director, pursuant to chapter 42.52 RCW, chapter 34.05 RCW, and WAC 292-100-090(1). The following stipulated facts, conclusions of law, 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. This stipulation is based on the following:

A. STIPULATED FACTS

1. On October 19, 2018, the Executive Ethics Board (Board) received a complaint from the Department of Enterprise Services (DES). The complaint alleged that Stephanie Karney (Ms. Karney), a Fish and Wildlife Biologist 2 (FWB2) with the Department of Fish and Wildlife (DFW), may have violated the Ethics in Public Service Act by using state resources for private benefit or gain.

2. Ms. Karney was hired by DFW on October 1, 2008 as a temporary Science Technician 2 (SC2) and was made a permanent SC2 in March 2013. In October 2013, Ms. Karney was made a temporary FWB2 and in March 2014 was made a permanent FWB2, which is the position she currently holds at DFW.

3. According to the DES complaint, on September 10, 2016, Ms. Karney contacted the Office of Parking Services (Parking Services) and requested they cancel her payroll deduction for parking on the Capital Campus because she was going on maternity leave. The cancellation confirmation sent from the Parking Office back to Ms. Karney stated that she should contact their office upon returning to work to restart her payroll deduction.

4. DFW provided Board staff with a copy of an email from DES to DFW Payroll dated August 5, 2016, advising them to stop the payroll deduction for parking services for Stefanie Orlaineta nee Karney. The email stated the last deduction would be taken on the September 10, 2016 payday. The reason listed for the cancellation was maternity leave.

5. According to the DES complaint, on September 25, 2016, the DFW Payroll Division did not cancel Ms. Karney's deduction as requested. The Parking Office refunded Ms. Karney \$25 for fees taken from her paycheck on October 10, 2016.

6. DFW provided Board staff with a copy of an email from DFW payroll dated October 11, 2016, advising Ms. Karney that they failed to end her deduction and have processed a refund for \$25.

7. According to the DES complaint, On March 1, 2017, Ms. Karney returned to work, began parking with an old parking sticker, and never restarted a payroll deduction. The Parking Office emailed her for an update and did not receive a response back from Ms. Karney.

8. The DFW provided Board staff with a copy of Ms. Karney's Leave of Absence form confirming that Ms. Karney returned to work from her leave of absence on March 1, 2017.

9. The DES provided Board staff with a copy of an email dated March 1, 2017, from DES to Ms. Karney checking her status and advising her to contact Parking Services when she returned to parking on the Capital Campus.

10. In a written response from Ms. Karney to Board staff, she stated that upon her return from maternity leave, it was an adjustment to get back into the work routine. There wasn't a response to the March 1, 2017 email from DES, because she didn't respond.

11. DES provided Board staff with a copy of an email dated September 8, 2017, from DES to Ms. Karney stating, "I'm cleaning up parking records and noticed that you have not re-started your parking deduction since your leave last year. Do you park on the Capital Campus? Do you want to restart a deduction or would you like me to archive your parking record?"

12. DES provided Board staff with a copy of an email from DES to Mrs. Karney dated October 6, 2017 stating in part, "I still have paperwork pending on your parking status and have a few questions. Will you be returning to park on the Capitol Campus? Did you turn in your permit sticker when you submitted the parking cancellation? If you are not planning to park on the campus in the future, I will archive your parking record....."

13. In a written response from Ms. Karney to Board staff, she stated that the two emails on September 8, 2017 and October 6, 2017, were during the busy season for the Otolith Laboratory. The emails were not responded to because she got busy with other work related deadlines.

14. According to the DES complaint, on May 9, 2018, the Parking Office called Ms. Karney to inquire about her parking status and asked when she came back to Campus. According the DES, during this conversation, Ms. Karney stated "recently."

15. According to the DES complaint, they sent DFW payroll "start notification" for deduction to begin May 25, 2018.

16. According to the DES complaint, on June 26, 2018 they mailed a letter to Ms. Karney notifying her that they had determined that Ms. Karney owed the following parking fees and to contact them to arrange repayment of those fees within 30 days:

March-June 2017	\$25 x 4	\$100
June - December 2017	\$35 x 6	\$210
January-April 2018	\$35 x 4	\$140
Total Fees Owed		\$450

17. According to the DES complaint, they did not receive a response to the June 26, 2018 letter, and on July 13, 2018 mailed a second letter requesting Ms. Karney respond back to them with an explanation as to why she disagreed or agreed with the facts outlined in the letter by August 13, 2018. According to DES, Ms. Karney did not respond to that letter.

18. DES provided Board staff with copies of both letters dated June 26, 2018 and July 13, 2018. Both letters were addressed to Ms. Karney at the DFW business address in Olympia, Washington.

19. In a written response to Board staff, Ms. Karney confirmed that parking deductions were reinstated on May 25, 2018, but said there was never any mention from Parking Services about past parking fees. She denied receiving a formal letter from DES and said she would have gladly paid the \$450 to avoid this issue going to the Board.

20. On October 25, 2018, Board staff received an email from Rhonda Fenrich (Ms. Fenrich), identifying herself as the attorney for the Washington Association of Fish & Wildlife Professionals, of which, according to Ms. Fenrich, Ms. Karney is a member. She attached proof of payment of all back parking fees owed by Ms. Karney to the email and asked that the matter be closed.

21. On October 29, 2018, Board staff received confirmation from DES that Ms. Karney arranged payment for the past due parking fees and provided a receipt confirming payment of \$450.

B. CONCLUSIONS OF LAW

1. The Ethics in Public Service Act, Chapter 42.52 RCW, prohibits state employees from Use of persons, money or property for private gain. RCW 42.52.160 states:

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

2. Based on the evidence reviewed, Ms. Karney used state resources for her private benefit or gain in violation of RCW 42.52.160. Ms. Karney's activities do not meet the exceptions for the use of state resources as permitted in WAC 292-110-010.

3. 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.

C. AGGRAVATING AND MITIGATING FACTORS

In determining the appropriateness of the civil penalty, the Board reviewed the criteria in WAC 292-120-030. In the matter at hand, it is an aggravating factor these types of violations significantly reduce the public respect and confidence in state government employees and they were continuous in nature. In the matter at hand, it is a mitigating factor that, Ms. Karney paid the past due parking fees of \$450 after being notified of the Boards' investigation.

D. STIPULATION AND AGREED ORDER

1. Pursuant to chapter 42.52 RCW, the Executive Ethics Board has jurisdiction over Stefanie Karney and over the subject matter of this complaint.

2. Under RCW 34.05.060, the Board can 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.

3. 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.

4. Stefanie Karney agrees that if any or all of the alleged violations were proven 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).

5. Stefanie Karney further agrees that the evidence available to the Board 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.

6. Stefanie Karney 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).

7. If the Board accepts this stipulation, the Board agrees to release and discharge Stefanie Karney from all further ethics proceedings under chapter 42.52 RCW for any allegations arising out of the facts 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 stipulation. Stefanie Karney 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.

8. If the Board accepts this stipulation, it does not purport to settle any other claims between Stefanie Karney and the Washington State Executive Ethics Board, the State of Washington, or other third party, which may be filed in the future. No other claims of alleged violations are pending against Stefanie Karney at this time.

9. If the Board accepts this stipulation, it is enforceable under RCW 34.05.578 and any other applicable statutes or rules.

10. If the Board rejects this stipulation, or if Stefanie Karney does not accept the Board's proposed modification(s), if any, this matter will be scheduled for an administrative hearing before the Board. If an administrative hearing is scheduled before the Board, Stefanie Karney waives any objection to participation by any Board member at the hearing to whom this stipulation was presented for approval under WAC 292-100-090(2). Further, Stefanie Karney understands and agrees that this stipulation as well as information obtained during any settlement discussions between the parties shall not be admitted into evidence during the administrative hearing, unless otherwise agreed by the parties.

11. Stefanie Karney agrees to pay a civil penalty in the amount of one-thousand dollars (\$1,000) associated with violations of RCW 42.52. The Board agrees to suspend five hundred dollars (\$500) on the condition that Ms. Karney complies with all terms and conditions of this Stipulation and Order and commits no further violations of RCW 42.52 for a period of two years from the date this agreement is executed

12. The civil penalty in the amount of five-hundred (\$500), is payable in full to the Washington State Executive Ethics Board within forty-five (45) days after this stipulation is signed and accepted by the Board, or as otherwise agreed to by the parties.

II. CERTIFICATION

I, Stefanie Karney, hereby certify that I have read this stipulation in its entirety, that my counsel of record, if any, has fully explained the legal significance and consequence of it. I further certify 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, I understand that I will receive a signed copy.

 3/4/2019
STEFANIE KARNEY Date
Respondent

Presented by:

 3/27/19
KATE REYNOLDS Date
Executive Director

II. 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 10th day of May, 2019




Shirley Battan, Chair



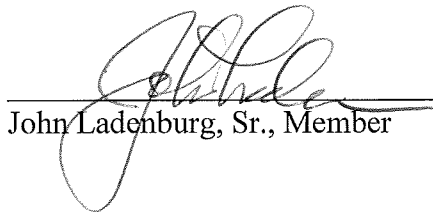
Gerri Davis, Vice Chair



Lisa Marsh, Member



Anna Dudek Ross, Member



John Ladenburg, Sr., Member

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

Stefanie Karney, Respondent Date