

1 **BEFORE THE WASHINGTON STATE**  
2 **EXECUTIVE ETHICS BOARD**

3 In the Matter of:

4 Micaela Martinez,

5 Respondent  
6

EEB Case No. 2024-004

ORDER OF DEFAULT AND  
FINAL ORDER

7  
8 **I. PROCEDURAL HISTORY**

9 On January 17, 2024, the Executive Ethics Board (Board) received a fraud referral from  
10 the State Auditor's Office (SAO) alleging Micaela Martinez, an employee of the Washington  
11 State Health Care Authority (HCA), may have violated the Ethics in Public Service Act. The  
12 referral alleged that Micaela Martinez violated RCW Chapter 42.52, by use of persons, money  
13 or property for personal gain.

14 On April 8, 2025, notification of the Reasonable Cause Determination was deposited in the  
15 United States mail to Micaela Martinez at their personal address on record, 808 E. Bridgeport  
16 Avenue, Spokane, WA 99207. The first-class mailing was not returned by the USPS.

17 According to the USPS, the certified letter mail receipt was delivered on April 9, 2025, to  
18 Micaela Martinez at the above address.

19 Micaela Martinez has not responded to the Reasonable Cause Determination as of the date  
20 of this Order.

21 **II. FINDINGS OF FACT**  
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- 23 1. According to the referral, Micaela Martinez was working full-time for both the  
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1 Washington State Health Care Authority (HCA) and the City of Spokane (the City) from  
2 August 1, 2022, until September 26, 2022, and receiving salary from both employers during  
3 that time.

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5 2. On September 26, 2022, HCA contacted the City of Spokane after learning  
6 that Micaela Martinez might still be working at the City as a Procurement Specialist at the  
7 same time they were working for HCA. HCA informed the City that they had hired Micaela  
8 Martinez as a Contract Specialist effective August 1, 2022.

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10 3. Board staff reviewed a Fraud Investigations Report from the State Auditor's  
11 Office. It was noted that on October 3, 2022, and October 11, 2022, the City of Spokane and  
12 Washington State Health Care Authority (HCA), respectively, notified the Washington State  
13 Auditor regarding potential losses of public funds, as required by RCW 43.09.185.

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15 4. Board Staff reviewed an Internal Investigation (II) conducted by City Human  
16 Resources (HR) Analyst Colleen Krajack for timecard fraud. They found the following:

- 17 • The actions of Micaela Martinez did result in a financial loss to the City in the total  
18 amount of \$11,552.20.
- 19 • The II also concluded that Micaela Martinez may have violated portions of the  
20 Washington State Ethics Law (RCW 42.52).
- 21 • Micaela Martinez accrued 18.34 hours of vacation, 21 hours of sick leave that they  
22 were not entitled to accrue. The value of this paid time off (PTO) is \$1,410.73.
- 23 • Micaela Martinez received retirement contributions of \$1,207.05 that they were not  
24 entitled to receive.
- 25 • Micaela Martinez received the benefit of health care premiums paid by the City of  
26

1 \$2,491.30 that they were not entitled to receive.

2 • The City incurred \$180.78 in other employee benefit expenses during this time that  
3 would not have been incurred if Micaela Martinez was not employed by the City on and  
4 after August 1, 2022.

5 • Micaela Martinez received \$6,262.34 in net compensation that they were not entitled  
6 to receive.  
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8 5. Board Staff reviewed paystubs provided by the City from August 12, 2022, to November 4,  
9 2022, which showed Micaela Martinez had been paid by the city at the full-time rate for 340  
10 regular hours.

11 6. According to investigative records, Micaela Martinez worked for the City of Spokane since  
12 2015, specifically as a Procurement Specialist since 2017. During the COVID-19 pandemic,  
13 Micaela Martinez's workplace shifted to a hybrid environment, with some work in person and  
14 some work remote. HCA's Contract Specialist position was fully remote.  
15

16 7. According to investigative records, as HCA's Contract Specialist, Micaela Martinez initially  
17 had a set work schedule of Monday through Friday from 8 a.m. to 5 p.m. between August 1,  
18 2022, and August 15, 2022. This schedule shifted to four tens Monday through Thursday from  
19 6 a.m. to 4:30 p.m. between August 16, 2022, and September 23, 2022. According to the II,  
20 Micaela Martinez continued to work the same four ten shift for the City of Spokane following  
21 their employment with HCA. Given the significant overlap in work schedules, it was determined  
22 that Micaela Martinez could not have performed full-time work for both the City and HCA  
23 during this time.  
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25 8. According to investigative records, on September 26, 2022, HCA interviewed Micaela  
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1 Martinez to ask if they were currently working for any employers other than HCA. Micaela  
2 Martinez acknowledged they were also employed by the City but said they had not produced  
3 work for the City since July 28, 2022, and were merely receiving vacation leave pay.  
4 Immediately following the interview, Micaela Martinez resigned from the position at HCA and  
5 notified their supervisor at the city that they had been employed simultaneously by both  
6 employers. On September 27, 2022, the city placed them on administrative leave.  
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8 9. Board Staff reviewed an email sent from Micaela Martinez to HCA on  
9 September 26, 2022, in regard to their resignation following the above interview. Micaela  
10 Martinez stated in their email that since accepting the job at HCA, they had fully intended to  
11 resign and leave their position at the City, but the tenure and job position they held made that  
12 difficult. Micaela Martinez further stated they did not know how to tell HCA that they had  
13 not yet started vacationing from the City as intended, and thought they would be "fine" doing  
14 both jobs.  
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16 10. According to HCA, they also investigated and found no questionable payroll  
17 costs. However, HCA determined Micaela Martinez violated their administrative policies  
18 for outside employment and personal conduct. According to the HCA Investigation Report,  
19 Micaela Martinez was provided HCA's Outside Employment Authorization policy and  
20 request form to report any additional compensated work on their first day of work with  
21 HCA. They did not report any additional outside employment.  
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23 11. It was noted that the HCA ensures that new employees receive training on  
24 reporting outside employment, including what constitutes a conflict of interest, as well as  
25 state ethics rules and use of state time. The HCA policy on Outside Employment (3-02)  
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1 states employees must obtain approval from their Appointing Authority prior to engaging  
2 in outside employment as set forth in HCA. Further, a new employee engaged in outside  
3 employment must provide a completed Request for Authorization of Outside Employment  
4 form (HCA 30-304) to their supervisor within 30 calendar days of beginning HCA  
5 employment. Lastly, employees may not use any state resources to support outside  
6 employment, including state paid time, materials, facilities, equipment, or telephones.  
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9 12. Board Staff reviewed a notification from the City to Micaela Martinez of a  
10 pre- disciplinary hearing to be held on October 26, 2022. The notice alleged that Miceala  
11 Martinez had knowingly and willfully accepted payroll funds and other benefits  
12 while simultaneously misleading both Washington State HCA and the City of Spokane  
13 regarding their employment efforts. The notice further stated that an official from the  
14 Washington State Health Care Authority informed the City of Spokane Human Resources  
15 Department that during the hiring process, Micaela Martinez had stated that they would  
16 be going on a paid leave of absence through September 2022 with the City of Spokane  
17 and after leave would no longer be working at the City.  
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19 13. HCA informed Micaela Martinez in writing that they were not permitted to  
20 actively work on behalf of the City of Spokane and their organization simultaneously.  
21 During this time, Micaela Martinez took only 14 hours of paid leave, did not notify the City  
22 that they were working on behalf of another employer during scheduled work time, did not  
23 continuously take leave, did not submit resignation to the City, and failed to notice either  
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1 organization that they were accepting payroll funds from two employers for the controlled  
2 time assigned by both organizations.

3 14. Board Staff reviewed notes provided by the City from the above pre-disciplinary  
4 hearing on October 26, 2022, in which Micaela Martinez stated they were not aware of  
5 any “moonlighting” policies and felt they had been performing all of their duties well, and  
6 did not believe there was loss to the City. Micaela Martinez admitted they took on the  
7 second job, with HCA, and was confident they could do make both jobs work. Micaela  
8 Martinez stated they never accepted pay from either organization without earning it.

9  
10 15. Board staff reviewed text messages sent from Micaela Martinez to HCA with the  
11 following messages:

- 12 • September 13, 2022: “Appointment ran a little over. On my way home now. I  
13 will get onto meeting as soon as I am there.”
- 14 • September 14, 2022: “Hey, I had to restart my computer. I will be on in a sec.”
- 15 • September 27, 2022: “I am very sorry for what has happened. The truth is my  
16 family was having some financial troubles. We needed more money to get by.  
17 My mom has been really sick, and my wife’s company has not fared well in the  
18 pandemic. I didn’t feel I was doing anything wrong with both jobs as I was  
19 doing them both and doing them well. I don’t feel I wasn’t fulfilling my  
20 obligations. I am sorry for the outcome”.

## 21 22 23 **CONCLUSIONS OF LAW**

24 1. The Board has jurisdiction to hear this matter pursuant to RCW 42.52.360(1),  
25 which authorizes the Board to enforce the Ethics in Public Service Act, chapter 42.52 RCW,  
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1 with respect to employees in the executive branch of state government. The Board has  
2 jurisdiction over Micaela Martinez, whose actions occurred while they were a state employee.  
3 Based on the evidence reviewed, Micaela Martinez has used state resources for their private  
4 benefit or gain in violation of RCW 42.52.160. Micaela Martinez's activities do not meet the  
5 exceptions for the use of state resources as permitted in WAC 292-110-010.

6 2. RCW 42.52.160(1) – Use of persons, money, or property for private gain, states:

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

10 Under WAC 292-110-010 Use of state resources states, in part:

11 **(3) Permitted personal use of state resources.** This subsection applies to any use of  
state resources not included in subsection (2) of this section.

12 (a) A state officer or employee's use of state resources is de minimis only if each  
of the following conditions are met:

13 (i) There is little or no cost to the state;

14 (ii) Any use is brief;

15 (iii) Any use occurs infrequently;

16 (iv) The use does not interfere with the performance of any state officer's  
or employee's official duties;

17 (v) The use does not compromise the security or integrity of state  
property, information systems, or software;

18 (vi) The use is not for the purpose of conducting an outside business, in  
furtherance of private employment, or to realize a private financial gain;  
and

19 (vii) The use is not for supporting, promoting the interests of, or soliciting  
for an outside organization or group.

20 3. The Board is authorized to impose sanctions for violations to the Ethics Act  
pursuant to RCW 42.52.360.

21 4. In determining the appropriateness of the civil penalty, the criteria in WAC 292-  
22 120-030 have been reviewed.

23 **1. ORDER OF DEFAULT AND FINAL ORDER**

24 Based on the foregoing, the Board:

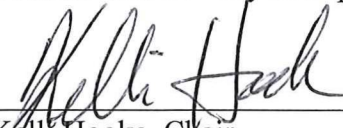
1 FINDS the Respondent, Micaela Martinez, failed to file a response and/or request a hearing  
2 within 30 days after proper service of the Board's reasonable cause determination in this matter and  
3 after proper service of notice of the right to request an adjudicative hearing.


4 CONCLUDES that the Respondent, Micaela Martinez, is in default under the provisions of  
5 RCW 34.05.440(1) and WAC 292-100-060(3).

6 IT IS ORDERED that pursuant to RCW 34.05.440(1) and WAC 292-100-060(3) the Board  
7 may proceed to resolve this case without further notice to, or hearing for the benefit of, Respondent  
8 Micaela Martinez.

9 IT IS HEREBY FURTHER ORDERED Respondent Micaela Martinez is liable for and  
10 shall pay a civil penalty of five thousand dollars (\$5,000). The payment shall be made to the  
11 Executive Ethics Board within forty-five (45) days of this Order. ~~(\$5,000)~~ <sup>(\$3,500)</sup> C6C

12  
13 DATED this 12<sup>th</sup> day of September 2025.

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16 Kelli Hooke, Chair

  
\_\_\_\_\_

Cam Comfort, Member

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19 Megan Abel, Vice Chair

  
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David Hankins, Member

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21 Mark Rapozo, Member

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23 **APPEAL RIGHTS**

24 **RECONSIDERATION OF FINAL ORDER – BOARD**  
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1 Any party may ask the Executive Ethics Board to reconsider a Final Order. The request  
2 must be in writing and must include the specific grounds or reasons for the request. The request  
3 must be delivered to Board office within 10 days after the postmark date of this order.

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

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

#### 10 **FURTHER APPEAL RIGHTS – SUPERIOR COURT**

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

14 The petition for judicial review must be filed with the superior court and served on the  
15 Board and any other parties within 30 days of the date that the Board serves this Final Order on  
16 the parties. RCW 34.05.542(2).

17 A petition for review must set forth:

- 18 (1) The name and mailing address of the petitioner;
- 19 (2) The name and mailing address of the petitioner's attorney, if any;
- 20 (3) The name and mailing address of the agency whose action is at issue;
- 21 (4) Identification of the agency action at issue, together with a duplicate copy, summary,  
22 or brief description of the agency action;
- 23 (5) Identification of persons who were parties in any adjudicative proceedings that led to  
24 the agency action;
- 25 (6) Facts to demonstrate that the petitioner is entitled to obtain judicial review;
- 26 (7) The petitioner's reasons for believing that relief should be granted; and

1 (8) A request for relief, specifying the type and extent of relief requested.  
2 RCW 34.05.546.

3 **ENFORCEMENT OF FINAL ORDERS**

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

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