

REPORT OF WHISTLEBLOWER INVESTIGATION
UNIVERSITY OF WASHINGTON
NO. 05-052
MARCH 29, 2006

Notice of Filing and Transmittal
March 29, 2006

Attached is the official report on whistleblower case No. 05-052 at the University of Washington.

This report is transmitted by the State Auditor's Office pursuant to Chapter 42.40 of the Revised Code of Washington, the Whistleblower Act.

Questions about this report should be directed to Investigator LaRene Barlin at (360) 902-2213, or Director of Operations Jim Brittain at (360) 902-0372.

BRIAN SONNTAG, CGFM
STATE AUDITOR

BS:lcb

cc: Dr. Mark Emmert, President, University of Washington
Maureen Rhea, Director of Audits, University of Washington
Dr. Nancy Barcelo', Vice President and Vice Provost for Minority Affairs and Diversity, University of Washington

The State Auditor's Office received an assertion of improper governmental activity at the University of Washington. The assertion was submitted to us under the provisions of Chapter 42.40 of the Revised Code of Washington, the Whistleblower Act. We investigated the assertion independently and objectively through interviews and by reviewing relevant documents. This is the result of our investigation.

Assertion 1:

The Senior Associate Vice President of Minority Affairs is receiving reimbursement for unallowable travel as well as using his state-assigned travel card to make unallowable purchases.

We found no reasonable cause to believe an improper governmental action occurred with respect to the Senior Associate Vice President receiving reimbursement for unallowable travel.

However, we did find reasonable cause to believe an improper governmental action occurred when the Senior Associate Vice President made personal purchases with his state-assigned travel card. These purchases were not reimbursed by the University.

RCW 42.52.160 – Use of person, money, or property for private gain

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

State-issued travel cards are made available to employees who incur travel expenses while performing their assigned duties. It is the responsibility of the employee to pay for any charges incurred on the card. Employees then request reimbursement from the state and use this reimbursement to pay off the balance owed on the card.

Our investigation found the Senior Associate Vice President of Minority Affairs used his state issued travel card to make 157 personal purchases, totaling \$11,561.31. These included purchases at clothing, jewelry, and sporting goods stores. None of these personal purchases were submitted to the University for reimbursement, and therefore none of the personal expenses were paid by the University. However, because the Senior Associate Vice President used the state-issued credit

card for personal use, we found reasonable cause to believe an improper governmental action occurred.

UNIVERSITY'S PLAN OF RESOLUTION

In relation to the finding regarding personal use of the state assigned travel card, the University has developed the following plan for resolution:

- 1. The senior associate vice president has attended both a travel class given by the UW Travel Office and a class on compliance with the state's ethics law given by UW Internal Audit to ensure appropriate understanding of the rules that govern the use of state travel cards and resources.*
- 2. The senior associate vice president agrees to adhere to all the provisions regarding proper travel card usage in the future.*

Assertion 2:

The Senior Associate Vice President of Minority Affairs is receiving reimbursement for unallowable purchases from the office's petty cash fund.

We found no reasonable cause to believe an improper governmental action occurred.

RCW 42.26.060 Restrictions on Use of Petty Cash Account – Expenditures – Reimbursement

The use of the petty cash account shall be restricted to miscellaneous petty or emergency expenditures, refunds legally payable by an agency, and for cash change to be used in the transaction of the agency's official business.

RCW 43.03.050(3) – Subsistence, lodging and refreshment, and per diem allowance for officials, employees, and members of boards commissions, or committees.

The director of financial management may prescribe reasonable allowances to cover reasonable expenses for meals, coffee, and light refreshment served to elective and appointive officials and state employees regardless of travel status at a meeting where: (a) The purpose of the meeting is to conduct official state business or to provide formal training to state employees or state officials; (b) the meals, coffee, or light refreshment are an integral part of the meeting or training session; (c) the meeting or training session takes place away from the employee's or official's regular workplace; and (d) the agency head or authorized designee approves payments in advance for the meals, coffee, or light refreshment. In order to prevent abuse, the director may regulate such allowances and prescribe additional conditions for claiming the allowances.

SAAM 70.15.10a – Reimbursement for Meals with Meetings

RCW 43.03.050(3) provides for reimbursement for meals, for certain business meetings (includes conferences, conventions, and formal training sessions) involving elective and appointive officials, and state employees. Additionally, other statutes may authorize agencies to provide reimbursement for meals for other individuals regardless of travel status.

We reviewed 26 payments made out of the office's petty cash fund. All reimbursements were made in accordance with state laws and regulations.

As a result, we found no reasonable cause to believe an improper governmental action occurred.

AUDITOR'S CONCLUDING REMARKS

We appreciate the cooperation and courtesies as well as the prompt assistance extended to our Office by University staff during this investigation.