

Washington State Auditor's Office
Whistleblower Report

**Eastern Washington State Historical
Society
(Northwest Museum of Arts and Culture)**

Report No. 1003682

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WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

May 24, 2010

Northwest Museum of Arts and Culture
Spokane, Washington

Report on Whistleblower Investigation

Attached is the official report on Whistleblower Case No. WB 09-062 for the Northwest Museum of Arts and Culture.

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

Questions about this report should be directed to Investigator Cheri Elliott at (360) 725-5358 or Director of Special Investigations Jim Brittain at (360) 902-0372.

Sincerely,

BRIAN SONNTAG, CGFM
WASHINGTON STATE AUDITOR

BS: CLE

cc: Mr. David Brukart, Executive Vice President Corporate Administrator, Sterling Savings Bank

Investigation Summary

State of Washington Northwest Museum of Arts and Culture Spokane County

ABOUT THE INVESTIGATION

The State Auditor's Office investigated assertions that a Northwest Museum of Arts and Culture employee:

- Used state resources for personal gain.
- Contracted with friends to perform maintenance duties instead of providing Museum staff with equipment needed to perform the tasks.

ASSERTIONS AND RESULTS

Assertion 1:

A Northwest Museum of Arts and Culture Facilities Manager used state resources for personal gain.

The assertion stated the subject moved a panel saw to his home for personal use for approximately two years. The assertion also stated the subject used his state computer for personal use.

Equipment

The subject stated the equipment was taking up space in a Museum workshop and he had been directed to remove it. The Museum's Chief Financial Officer confirmed that. The subject stated the Museum did not have much extra space and he did not want to get rid of the saw in case the Museum needed it in the future. He stated he had offered to store the saw at his home and was given permission to do so by the Museum's former Chief Executive Officer. He stated he hung the saw on the wall of his shop and did not use it. He returned it after a recent reorganization of the Museum freed up space.

We were unable to determine whether the subject used the saw while in his possession.

Computer use

We reviewed the subject's e-mail, hard drive and Internet use on his state-issued computer.

We found 103 e-mails that included communications with friends and family, 27 e-mails with an artist he had hired for a personal project and four e-mails related to buying or selling merchandise online. The subject had created e-mail folders to store personal e-mails. His inbox, sent messages and deleted messages folders held only a few work-

related e-mails and two personal e-mails, including a notification from an online auction site confirming a password change.

The review of the hard drive identified an additional 60 non-work-related e-mails, including communications with recreational vehicle dealers regarding the purchase of a motor home. We also found 46 adult-oriented images.

We reviewed the computer's Internet history from May 5, 2006, through July 17, 2009, and identified five main types of site visits:

- Shopping: 3,241 visits
- Car/RV: 1,465 visits
- Personal finances: 228 visits
- Legal: 48 visits
- Weapons: 20 visits

We randomly selected three days of Internet history and found the subject spent 214 minutes browsing shopping Web sites for items such as guns, cars and coats. During this time he also accessed his own online Web page and visited Web sites for tourism sites in Oklahoma and Web sites for driving directions to these sites.

We found on 52 days from January 7, 2009, through July 16, 2009, he viewed 1,103 pages on a classified ad Web site. On 26 days during this period, he viewed 323 Web pages on an online auction site. The computer showed he viewed a total of 1,895 non-work-related Web pages during this period.

The review of the Internet history for several shopping Web sites found:

- An online auction site that he browsed and purchased items from. Among the items he searched for were auto parts, a snow blower, a music box, all-terrain vehicle parts, adult-oriented items, cameras and clothing.
- Forty Web sites that he searched for recreational vehicles, cars and car parts.
- Online classified advertisements.

Because the state-assigned computer was used for personal use, we found reasonable cause to believe an improper governmental action occurred.

Assertion 2:

A Northwest Museum of Arts and Culture Facilities Manager used his position to secure special privileges for vendors.

The subject stated the Museum has hired contractors when projects have come up that require expensive tools the Museum does not own and would not be able to use outside of the projects. He stated the Museum also has hired contractors in instances in which safety concerns have been raised related to the projects. The subject stated he has used vendors he has previously done business with. He stated he has used them because they have proven to be honest and competent.

The Museum's Chief Financial Officer (CFO) confirmed the circumstances for using outside vendors and further stated the staff has the tools it needs for day-to-day work. The CFO stated that some of the projects lasted up to two weeks and the Museum was not able to release a maintenance person from his or her normal duties for that length of time. The CFO stated when contracting with outside vendors they always get guidance from General Administration.

Therefore, we found no reasonable cause to believe an improper governmental action occurred.

AGENCY'S PLAN OF RESOLUTION

Assertion 1: A Northwest Museum of Arts and Culture Facilities Manager used state resources for personal gain. This first part of the assertion regarded Equipment. At question was a panel saw that was removed from the museum and stored in the employees RV shed. This was approved by the former CEO. Upon being made aware of this equipment being located off-site our CFO instructed the employee that it be returned immediately, which it was. There was no evidence of usage while being stored away from the museum. It is the ongoing policy of the museum to not allow any employee to remove any equipment from the facility for personal purposes or any other reason not directly related to the mission of the organization.

The second part of the assertion regarded Computer use. It was brought to the attention of management the allegations of improper usage of a state-issued computer. After an internal investigation discovered enough information to substantiate a claim of improper usage a letter of reprimand was written and placed in the employee's file. The letter was dated February 20, 2009, and counter-signed by the employee on March 2, 2009. The letter further directed the employee to re-read the agency IT policies and to sign and return with a copy of the letter of reprimand. This was completed as requested. The policy of the agency is to have all employees read and acknowledge the written IT policies of the agency. This is required prior to a new employee being granted access to a computer or the network or the internet.

Assertion 2: A Northwest Museum of Arts and Culture Facilities Manager used his position to secure special privileges for vendors. The investigation found no improper action and we concur with the finding.

It is important to note that due to budget reductions and an agency wide re-organization the employee in question is no longer employed by the Northwest Museum of Arts and Culture. The employee was laid off with an effective date of October 15, 2009.

AUDITOR'S REMARKS

We thank Agency officials and personnel for their assistance and cooperation during the investigation.

INVESTIGATION CRITERIA/POLICIES

We came to our determination in this investigation by evaluating the facts against the criteria below:

RCW 42.52.160 Use of persons, 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 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.

RCW 42.52.070 Special Privileges.

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.

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