

Washington State Auditor's Office
Whistleblower Investigation Report

Department of Social and Health Services

Report No. 1011811

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WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

May 8, 2014

Kevin Quigley, Secretary
Department of Social and Health Services

Report on Whistleblower Investigation

Attached is the official report on Whistleblower Case No. 13-035 at the Department of Social and Health Services.

The State Auditor's Office received an assertion of improper governmental activity at the Department. 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 result of our investigation.

Questions about this report should be directed to Whistleblower Manager Jim Brownell at (360) 725-5352.

Sincerely,

TROY KELLEY
STATE AUDITOR

cc: Mr. Andrew Colvin, Public Disclosure/Ethics Administrator
Governor Jay Inslee

Whistleblower Investigation Report

State of Washington Department of Social and Health Services

ASSERTION AND RESULTS

Our Office received a whistleblower complaint asserting the acting Chief Executive Officer (CEO) of Western State Hospital grossly mismanaged hospital staff by allowing some employees to arrive late for their scheduled shifts.

We found no reasonable cause to believe an improper governmental action occurred. However, we believe the issue described in our report requires attention by the Department.

ABOUT THE INVESTIGATION

Western State Hospital is administered by the Department of Social and Health Services and is one of two state-owned adult psychiatric hospitals in Washington. Our Office received a whistleblower complaint asserting the acting CEO grossly mismanaged hospital staff by allowing some hospital employees to arrive late and leave early for their scheduled shifts.

Most hospital employees are covered by two different collective bargaining agreements. Neither of the agreements, nor Department policies, stipulate that employees are authorized to work less than their entire shift yet be compensated for their entire shift.

During our investigation we obtained evidence that indicates employees of one of these represented groups normally worked seven hours and forty-five minutes per shift instead of eight during state fiscal year 2013. We also found that this practice has occurred many years prior to the subject being appointed as acting CEO of the hospital and continues to occur today.

Since this issue has been a long-standing practice at the hospital, we found no reasonable cause to believe the acting CEO grossly mismanaged public resources, as defined by 42.40.020(4). However, we believe the matter requires attention by the Department.

WHAT IS THE EFFECT?

With assistance from the Department, we obtained a list of 927 hospital employees that were allowed to take part in this practice during fiscal year 2013. Using an average of seven hours and forty-five minutes worked per day, per employee, we estimate the Department compensated employees up to \$799,465 from July 1, 2012 to June 30, 2013 for scheduled time that was not worked.

Since we found no reasonable cause to believe an improper government action occurred, the Department is not required to submit a plan of resolution to our Office.

However, we recommend the Department identify the issues, agree on a practice, and formalize the outcome.

DEPARTMENT'S PLAN OF RESOLUTION

Thank you for the opportunity to review and respond to the draft report by the State Auditor's Office regarding Whistleblower Case No. 13-035. We appreciate you bringing to our attention and highlighting your concerns around this issue.

The Department shares your concerns. Since this needs to be resolved in the context of long-term labor practices and current labor law, it is one of the Department's top concerns as we enter into collective bargaining discussions.

STATE AUDITOR'S OFFICE CLOSING REMARKS

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

Whistleblower Investigation Criteria

State of Washington Department of Social and Health Services

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

Assertion 1: The CEO of the hospital grossly mismanaged hospital staff by allowing them to continually arrive at shifts up to 15 minutes late.

RCW 42.40.020 - Definitions.

(4) “Gross mismanagement” means the exercise of management responsibilities in a manner grossly deviating from the standard of care or competence that a reasonable person would observe in the same situation.

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