From: Boughal, Ethan (SAO)
To: julie gunter
Subject: RE: State of Washington Hotline Submission
Date: Thursday, October 3, 2024 12:55:00 PM
Attachments: image001.png

The various departments would be able to work together.

I don't know if there is much that the fraud department will be able to do, but I don't think it would hurt to submit what you can.

Thanks,

Ethan Boughal, CPA
Assistant State Auditor, Office of the Washington State Auditor
(564) 464-5008 | www.sao.wa.gov
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From: julie gunter <jgunth@hotmail.com>
Sent: Thursday, October 3, 2024 12:14 PM
To: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Subject: Re: State of Washington Hotline Submission

External Email

Hi,

One final procedural question. For the fraud form, I will be attaching the two contracts associated with the matter, which I also believe further substantiates concerns communicated through the citizen hotline.

Would different divisions have access to all records sent to date as they are maintained in a shared or otherwise accessible file or will they need to be resubmitted upon request to different departments? Would be great to limit redundancy if/where possible!

Thanks for clarifying,
Julie

From: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Sent: Wednesday, October 2, 2024 9:24 AM
To: julie gunter <jgunth@hotmail.com>
Subject: RE: State of Washington Hotline Submission

Regarding your question – no. We can only potentially handle what happens with OSPI and the Marysville school district.

Thank you for the additional information, it will be kept in our records.

Sincerely,

Ethan Boughal, CPA
Assistant State Auditor, Office of the Washington State Auditor
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From: julie gunter <jgunth@hotmail.com>
Sent: Wednesday, October 2, 2024 8:55 AM
To: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Subject: Re: State of Washington Hotline Submission

External Email

Hi,

Thanks for letting me know you have sufficient information at this time. I just forgot to ask one question, #1 below.

I also hope it's ok to share a few final contract- and ethics-related concerns I forgot mention in phone call for context.

1) If conflict of interest/ethics violations related to contracts with ER also occurred in other states beyond WA, would that be information investigators would also want to be aware of and review? In this case, also working as ALJ and mediator in other states that may not permit LEA employees to do so.

2) I forgot to mention on phone call that one public record friendship appeared to reference a friendship since college between CR and the OSPI special education supervisor whose role it was to evaluate SECC contractor bids (with a few other OSPI staff) and who was responsible for initial assignments, approving subcontractors, and supervising and overseeing contractor work such as reviewing final drafts. This staff member gave the Education Resolutions bid a 100% score when another staff member counted ER down due to variable quality of subcontractor work. The required conflict of interest form that the evaluators filled out to be approved as evaluators out noted no conflicts.

3) OSPI contracts with a few other approved contractors to investigate Special Education community complaints, but these contractors were assigned a few complaints per year rather than dozens/year (ER over time employed increasing number of subcontractors while the few other contractors appear to only work for themselves, all have law degrees).

4) Two other ER subcontractors without law degrees were also at the same time working as 1) head of schools for a NPA in CA and 2) the BIE. That employment, as with CR working as a WA school district attorney while assigned by OSPI to investigate complaints against school districts, was not disclosed to complainants. I was told instead that such employment was in the past and not having a law degree was permissible since the OSPI supervisor had one and she would be overseeing the complaint. However, I later learned that bar membership in good standing was a mandatory requirement for the contractor according to contract in place at that time. Also of note, the most recent RFQ for the new SECC that was recently posted and is set to go into effect later this year no longer has bar membership in good standing as required qualification, it's desired qualification.

Thank you,
Julie

From: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Sent: Tuesday, October 1, 2024 3:02 PM
To: julie gunter <jgunth@hotmail.com>
Subject: RE: State of Washington Hotline Submission

I appreciate how thorough you are being, Julie. I appreciate this, and it is inspiring to see how much detail and care you have put into this.

I think we are good with what we have right now. We certainly have enough information to get something going on this hotline submission, but what that is I am unsure of yet. I am going to have a call with a couple of other individuals in our ethics investigation crew, as conflict of interest would be an ethics concern. I would say yes, go ahead and file that fraud form. If it comes back to me again, we will already have a process in place for this request.

I think we have enough to go on as of now, and if an investigation by either the fraud department or the ethics department, or even both occurs, they will be reaching out to you for more information. Thank you again for all this information, it is extremely helpful.

Sincerely,

Ethan Boughal, CPA
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From: julie gunter <jgunth@hotmail.com>
Sent: Tuesday, October 1, 2024 2:33 PM
To: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Subject: Re: State of Washington Hotline Submission

External Email

Thanks!

Just to clarify on my end, if it would be helpful to fill out the fraud form with more specific information as a next step, since I do believe there was misuse by OSPI of public funds for more than a yearlong period and it was intentional and not an accident based on review of public records that such misuse occurred, please let me know and I can submit that form.

I also understand that reviewing the 2023 and 2023 contracts and earlier RFQ would be helpful so I will send that tomorrow as I am running out of time to get this to you today. If you need any other documentation (as I said there are quite a few pending public record requests and records), it would help to have some direction if possible about what else to send at this stage and how much. For instance, should I forward all invoices for Education Resolutions

since 6/1/2023, or just some as an example and you may ask for the remainder later?

Another idea is I could provide links to the OSPI public record installments and include notes with page numbers of those that are most relevant per installment, but as mentioned, there are a lot of records to sort through and to be respectful of everyone's time I am hoping to understand the most efficient way to share the most relevant records to support this process to benefit the public and for transparency. I am also creating a timeline with main dates related to the contracts from 6/1/2023-9/30/24 that could be helpful for reference.

Thank you for your time,
Julie

From: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Sent: Tuesday, October 1, 2024 2:08 PM
To: julie gunter <jgunth@hotmail.com>
Subject: RE: State of Washington Hotline Submission

Thank you for all the information you have provided, Julie.

We are working on what is the best way to go about what you have found, and I will be getting back to you soon about what we plan to do.

Thanks,

Ethan Boughal, CPA
Assistant State Auditor, Office of the Washington State Auditor
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From: julie gunter <jgunth@hotmail.com>
Sent: Tuesday, October 1, 2024 12:53 PM
To: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Subject: Re: State of Washington Hotline Submission

External Email

Notes:

3) reference to new contract 5/2/23, CR signed job offer with Marysville school district as legal counsel following month

Will send contracts as scanned PDFs

From: julie gunter <jgunth@hotmail.com>
Sent: Tuesday, October 1, 2024 12:47 PM
To: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Subject: Re: State of Washington Hotline Submission

Attachment notes:

1) shows CR taking a complaint after she started working as school district attorney for MSD on 9/1/23

2) shows OSPI continued to be aware of "general counsel work" with MSD

5) CR saying available to work for OSPI pretty much full FT after June. It appears OSPI did not review contract 9/30/24.

6) Reference to high volume (dozens) of complaints assigned to ER in contrast to the few investigated by OSPI in-house starting in 2023

From: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Sent: Tuesday, October 1, 2024 11:31 AM
To: julie gunter <jgunth@hotmail.com>
Subject: RE: State of Washington Hotline Submission

12 works great for me.

I will call you then.

Thanks,

Ethan Boughal, CPA
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From: julie gunter <jgunth@hotmail.com>
Sent: Tuesday, October 1, 2024 11:30 AM
To: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Subject: Re: State of Washington Hotline Submission

External Email

Hello,

Thank you for your prompt response, I really appreciate it.

I could connect at 12 or 12:30 today if that still works for you.

As mentioned, I also have substantiating documentation to share but it would be helpful to ask a few clarifying questions so I can consolidate and prioritize based on what would be most relevant due to the high volume of records, with many still pending.

Best regards,

Julie

From: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Sent: Tuesday, October 1, 2024 11:12 AM
To: julie gunter <jgunth@hotmail.com>
Subject: RE: State of Washington Hotline Submission

Hi Julie,

Unfortunately, we are unable to modify the timing of the audit. For each audit, we gather information about the fiscal years under audit, and then review information and select each audit area to test based on our assessment of risk. This hotline submission aids us in that, as we gain insight from the public's input for areas that we will consider including in the audit plan.

Your fraud concern is intriguing as well. I am free for a call anytime today from 11:30-1, or 2-4. I am also free any time on Thursday from 7:30-4:30, or Friday from 7-3. After I gain additional information from you as to why you think fraud is a concern, we will consult with the special investigations manager and potentially move the case from the hotline database to the fraud database. Please let me know a time that works best for you, and I will call you on your 206 number below.

Thanks,

Ethan Boughal, CPA
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From: julie gunter <jgunth@hotmail.com>
Sent: Tuesday, October 1, 2024 9:42 AM
To: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Subject: Re: State of Washington Hotline Submission

External Email

Mr. Boughal,

My understanding is that I had time to submit the supporting documentation before determination would be made on next steps. I reached out and left a voicemail message to know who to send the public records to as attachments and was waiting to hear back. I also had a question that I also communicated in the voicemail asking if I had filled out the correct form as some of the concerns include contractual misuse of public funds which may be considered fraud.

I am concerned that this time-sensitive concern relating to use of public funding may be pushed out until 2026. Was there any consideration of scheduling the accountability audit of OSPI sooner? Is the SAO able to schedule sooner?

I tried to call the number below but received a message that it's not a working number. Could we please schedule a time to connect by phone to ask clarifying procedural questions?

Thanks,

Julie

206-390-3095

From: Boughal, Ethan (SAO) <ethan.boughal@sao.wa.gov>
Sent: Tuesday, October 1, 2024 8:51 AM
To: jgunth@hotmail.com <jgunth@hotmail.com>
Subject: State of Washington Hotline Submission

Dear Julie:

Thank you for contacting the Office of the State Auditor Citizen Hotline with your concerns regarding issues and apparent violations with contracts & agreements between OSPI and Education Resolutions. We take our job of holding government accountable for the use of public resources seriously and have carefully considered your hotline submission. Based on the information you shared in your hotline submission; we determined that the matter would be best considered as part of the next accountability audit of the OSPI which should occur in July-September of 2026.

In your hotline submission, you referenced public records that you intend on sending us in a follow up email. If you have those available, please send them to me so I can be precise when addressing your hotline submission.

We may contact you again once the audit begins to request additional information or clarification. If you have any questions or additional information you would like to share before then please let us know.

Your hotline submission ID# is H-24-438.

Sincerely,

Ethan Boughal, CPA
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