

RICHARD J. THOMPSON
Secretary



30200452

STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Olympia, Washington 98504-0095

CONFIDENTIAL

September 19, 1990

TO: J. Michael Smith, Chief
Office of Special Investigation
OB-33A

FROM: *Norman Crawford*
Norman Crawford, Special Investigator
Internal Affairs
Office of Special Investigation
OB-33A

SUBJECT: EMPLOYEE INVESTIGATION
THOMPSON, Richard J., Secretary
Case #7900057

REFERRAL:

During an investigation of the Kiwanis Vocational Home (KVH), Investigator Spike Millman received information that suggested Secretary THOMPSON ordered preferential treatment for this vendor. This information was conveyed to Chief Smith, Office of Special Investigation, who ordered an investigation.

ALLEGATION:

KVH is under contract from the Department of Social and Health Services (DSHS), Division of Children and Family services (DCFS), to house and furnish rehabilitation programs for juvenile offenders. KVH is licensed for 71 residents. Prior to March 1, 1990, KVH was only under contract for 54 residents. Although the housing contract stipulates 54 residents, emergency placements called waivers have been enacted routinely on the average of 15 subjects which placed the resident population at 69 on the average. Due to the amount of paper work involved and KVH experiencing problems in projecting staff population to deal with the fluctuating resident population, KVH petitioned DSHS to amend their contract to 69 residents. It is alleged that because KVH's attorney, George Darkenwald, is a personal friend of Secretary THOMPSON, this relationship in turn influenced the DSHS decision to grant the contract amendment, effective on March 1, 1990.

KNOWN FACTS:

Richard J. THOMPSON is Secretary of the Department of Social and Health Services.

WSP-00037934
SOURCE DOCS

30200453

EMPLOYEE INVESTIGATION
THOMPSON, Richard J., Secretary
Case #7900057

Page 2

CONFIDENTIAL

FINDINGS:

The allegation is unfounded. This investigation failed to identify or determine any evidence to suggest Secretary THOMPSON or other subjects mentioned in this report are involved in a conflict of interest or impropriety.

WSP-00037935
SOURCE DOCS

PCVA 003645

EMPLOYEE INVESTIGATION
THOMPSON, Richard J., Secretary
Case #7900057

Page 3

CONFIDENTIAL

INVESTIGATION:

During the investigation, I interviewed Secretary THOMPSON, Deputy Secretary Paul Trause, Mr. Wayne Ehlers, Aide to Governor Gardner, Mr. Ken Guza, DCFS Program Manager, Mr. Marvin Christensen, DCFS Group Care Coordinator, and Attorney George Darkenwald.

The results of this investigation indicate the contract amendment for KVH was the result of a DSHS committee decision to amend this contract as well as the contract of two additional like state vendors after a study of placement procedures and demand. The cost factor regarding the contract authorization amount per resident was not increased. The investigation was unable to determine any collusion or impropriety on the part of any one in this case pertaining to the procedure and result of the KVH contract amendment.

The respective interviews of the aforementioned individuals are contained in the Internal Affairs case file.

WSP-00037936
SOURCE DOCS