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CASE NO. 17-070EDG

1. PURPOSE: The purpose of this stipulated final order is to settle any and all claims, allegations and charges by the Oregon Government Ethics Commission (Commission) against Joseph VonDoloski.
2. JURISDICTION: At all material times, Joseph VonDoloski was the Executive Director for the Logos Public Charter School. Joseph VonDoloski was a public official subject to the jurisdiction of the Commission pursuant to ORS Chapter 244.
3. STIPULATED FACTS:
  - A. Western Collegiate Consulting, LLP, (WCC) is a business owned by Joseph VonDoloski. WCC is a professional employer organization (PEO) that leases employees to public charter schools.
  - B. On or before 2/15/17 Joseph VonDoloski selected a retired banker he knew, outside of any formal Board process or public contracting process, to act as the LOGOS financial consultant in creating a cost analysis that showed the savings LOGOS could realize if they contracted with a professional employer organization to supply teachers and other personnel to LOGOS.
  - C. In early 2017, Respondent, in his capacity as executive director, directed the LOGOS HR/Business Manager, to use LOGOS time, financial data,

email, and other public resources, to collaborate on the cost analysis described above in paragraph B.

- D. In early 2017, Respondent, in his capacity as executive director, was contacting other public charter schools about outsourcing employee costs to a professional employer organization to save money. For example, on 2/15/17, he wrote in a LOGOS email that he was "following up with all my contacts regarding becoming a PEO".
- E. On 5/8/17, the Respondent, in his capacity as executive director, provided the LOGOS Board with a 5 year cash flow forecast, a narrative analysis of three options to save money, and his own recommendation to the Board that LOGOS issue a Request for Proposal (RFP) to contract with a professional employer organization to avoid pension costs. In support of his recommendation, Respondent supplied the Board with a forecast of projected savings over the next 5 years if LOGOS used a professional employer organization. These projected savings included salaries and benefits allocated to Respondent and the LOGOS HR/Business Manager, who would be employed by Western Collegiate Consulting rather than LOGOS if the Respondent's business received the contract with LOGOS.
- F. Respondent, in his capacity as executive director, attempted to involve himself in the potential LOGOS Request for Proposal (RFP) process to obtain a professional employer organization, evidenced by LOGOS email he sent on 5/2/17, which suggested to a Board member the makeup of the RFP committee and timeline, and an email he sent on 5/4/17 to the LOGOS attorney concerning LOGOS's advertising of the RFP.
- G. Respondent used LOGOS time and resources to advertise his private business to other charter schools and solicit the schools as clients on the following occasions: 5/1/17, 5/9/17, 5/10/17, 5/11/17, and 5/12/17.

- H. Respondent used LOGOS time and resources to obtain his private business's domain name, email address, webpage, logo design and business cards for himself and the LOGOS HR/Business Manager over several days between 4/18/17 and 5/2/17.
- I. Respondent used LOGOS time and resources on 5/12/17 to obtain information about how his private business could avoid a financial detriment by avoiding labor requirements and prevailing wage laws.
- J. Respondent used LOGOS time and resources on 6/28/17 to obtain insurance services for his private business.
- K. Respondent used the LOGOS Employee Handbook and other LOGOS resources when soliciting workers compensation coverage for his private business on 5/23/17.
- L. Respondent used LOGOS non-public information, time, and resources to prepare and submit a response to the LOGOS Request for Proposal on 6/16/17 on behalf of his private business.
- M. ORS 244.040(1) prohibits any public official from using their official position or office to obtain financial gain for the public official or a business with which the official is associated, other than official salary, honoraria or reimbursement of expenses.
- N. Each of the actions described in paragraphs (B) through (L) above constituted distinct violations of ORS 244.040(1).
- O. ORS 244.120 requires public officials to disclose conflicts of interest prior to taking official action, which could or would result in financial impact to the

public official, a relative of the public official, or a business with which the public official or a relative is associated.

- P. Joseph VonDoloski did not disclose a conflict of interest prior to taking the actions described in paragraphs (B) through (L).
- Q. ORS 244.350 authorizes the Commission to assess civil penalties of up to \$110,000 as a result of these violations.
- R. ORS 244.360 authorizes the Commission to order Joseph VonDoloski to pay a monetary forfeiture due to the financial gain Joseph VonDoloski realized as a result of these violations. The Commission is not seeking a monetary forfeiture.
- S. The results of the Commission investigation, if submitted through exhibits and testimony at a contested case hearing, would establish a preponderance of evidence in support of a post-hearing order to find violations of ORS 244.040(1) and ORS 244.120(1)(c).

4. TERMS OF SETTLEMENT:

The parties agree as follows:

- A. On 5/11/18, the Commission acted to find violations, bring the investigative phase to a close and move to a negotiated settlement or a contested case hearing. The 5/11/18 action was a preliminary finding of violations of Oregon Government Ethics law, as a prelude to a stipulated settlement or a contested case hearing, and not a final conclusion regarding a violation of Oregon Government Ethics law by Joseph VonDoloski.

- B. Joseph VonDoloski will pay a civil penalty, as authorized by ORS 244.350, in the amount of \$5,500 in order to settle and compromise this matter.
- C. The Commission releases, settles and compromises any and all claims, which have been or could be asserted against Joseph VonDoloski within the scope of the above-referenced proceedings.
- D. Joseph VonDoloski will initiate no claims, litigation or other action against the Commission as a result of these proceedings.

5. REVIEW BY COUNSEL:

All of the parties hereto acknowledge that this agreement has been entered into by their own free will and with full understanding of the contents herein. Each of the parties further acknowledges that each has had the opportunity to seek the advice of counsel in comparing and reviewing this agreement.


6. EFFECT:

This agreement is subject to the final approval of the Commission. Once approved, this agreement shall be the final disposition of the matter and shall be binding upon all parties.


By signing this agreement, Joseph VonDoloski agrees to waive his right to a contested case hearing as provided in ORS Chapter 183 and ORS 244.370. This order shall be the final order and all information in the Commission files on this matter shall become part of the record.

By signing this agreement, Joseph VonDoloski agrees to waive his right to obtain judicial review of this order as provided in ORS 183.482.

IN WITNESS WHEREOF, the parties have entered into and signed this stipulated final order on the dates set forth below.

  
\_\_\_\_\_  
Joseph VonDoloski

07/09/2018  
Date

  
\_\_\_\_\_  
Alison R. Kean, Chairperson  
Oregon Government Ethics Commission

8/10/18  
Date