



Office of the Washington State Auditor
Pat McCarthy

Whistleblower Investigation Report

Office of Financial Management, Department of Children, Youth & Families, and Department of Natural Resources

Published November 6, 2025

Report No. 1038376



Scan to see another great way
we're helping advance
#GoodGovernment



**Office of the Washington State Auditor
Pat McCarthy**

November 6, 2025

K.D. Chapman-See, Director
Office of Financial Management

Tana Senn, Secretary
Department of Children, Youth & Families

Dave Upthegrove, Commissioner of Public Lands
Department of Natural Resources

Report on Whistleblower Investigation

Attached is the official report on Whistleblower Case No. 25-011 at the State of Washington.

The State Auditor's Office received an assertion of improper governmental activity at multiple state agencies. 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.

If you are a member of the media and have questions about this report, please contact Assistant Director of Communications Adam Wilson at (564) 999-0799. Otherwise, please contact Assistant Director for State Audit and Special Investigations Jim Brownell at (564) 999-0782.

Sincerely,

Pat McCarthy, State Auditor

Olympia, WA

cc: Governor Bob Ferguson

Teresa Gleason, Human Resources Business Partner, Office of Financial Management
Liana Dupont Smith, Internal Audit Manager, Department of Children, Youth & Families
Wayne Whiton, Risk Manager, Privacy & Internal Controls Officer, Dept. of Natural Resources
Kate Reynolds, Executive Director, Executive Ethics Board
Scott Bills, Investigator

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.

WHISTLEBLOWER INVESTIGATION REPORT

Assertion(s) and Results

Our Office received a whistleblower complaint asserting a state employee (Subject) is working simultaneously at three different state agencies.

We found no reasonable cause to believe an improper governmental action occurred.

Background

The Office of Financial Management (OFM) provides assistance to the Governor, the Legislature and state agencies in the following areas: budget planning, policy development and financial administration for executive branch agencies. The Office employs about 428 people and has an annual operating budget of about \$31.7 million from the state general fund and \$12.6 million from federal funds.

The Department of Children, Youth & Families (DCYF) is the lead agency responsible for providing services that support children and families to build resilience and health, and to improve educational outcomes. The Department is a cabinet-level agency and oversees child welfare programs, early learning and juvenile rehabilitation services. The Department's operating budget for the 2023-2025 biennium was about \$6.6 billion.

The Washington State Department of Natural Resources (DNR) protects and manages more than 5.6 million acres of forest, range, agricultural, aquatic and commercial lands for Washington residents. The Department manages state trust lands to help support public schools, state institutions and county services. The Department employed 1,755 permanent employees and more than 920 seasonal employees as of June 30, 2025. The Department had an operating budget of about \$671 million during state fiscal year 2025.

About the Investigation

We received a whistleblower complaint asserting the Subject used state resources for private gain by working simultaneously at three different state agencies.

To determine whether an improper governmental action occurred, we requested the following documentation from the three state agencies involved for the period of March 2024 to March 2025:

- Position description
- Official duty station and address of duty station
- Outside employment policies
- Official work schedule
- Time and leave summaries
- Interagency agreements related to outside employment
- Documents pertaining to outside employment scheduling
- Any other internal time tracking measures, if applicable

The Subject's primary job is processing payroll at OFM for eight hours per day, scheduled Monday through Friday from 6 a.m. to 2:30 p.m. The Subject's work schedule sometimes varies, allowing him to work through the night to process payroll. Meanwhile, the Subject also performs payroll duties at DCYF and DNR as a Fiscal Analyst 5. According to his timesheets, the Subject works four hours each weekday for DCYF and two hours each weekday for DNR. Additionally, the Subject works five hours each weekend day for DCYF and six hours each weekend-day at DNR. In total, the Subject is scheduled to work 14 hours per weekday and 11 hours per weekend-day.

We reviewed the Subject's position descriptions and telework agreements with his employers and determined that the Subject's work schedule at each agency is flexible. Interviews with the Subject's managers at OFM, DCYF and DNR confirmed the Subject has the flexibility to work evenings and weekends and that, in some instances, he can perform his jobs in the middle of the night. The Subject's managers all said they had no concerns with the Subject's time and attendance nor about him completing his job duties.

We interviewed the Subject, who emphasized how much time and effort he puts in for the three agencies, noting he probably works more hours than he reports on timesheets for DNR and DCYF, and more than eight hours each weekday for OFM.

Based on our analysis and interviews, we determined the subject did not use state resources for private gain by working three jobs simultaneously. However, we did find the subject's position descriptions and telework agreements lacked a clear description of work hours (total hours per week and days per week).

Recommendation

We recommend DNR and DCYF clearly document the hours and times per day they expect the Subject to work.

We further recommend OFM record these updates to the Subject's DNR and DCYF position descriptions in the OFM Outside Employment Approval document. That way, each agency knows and documents how many hours per day the Subject works at each agency. Additionally, any changes to the Subject's work schedule should be reviewed and approved by an appropriate level of authority at each agency and communicated to the other agencies.

State Auditor's Office Concluding Remarks

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

WHISTLEBLOWER INVESTIGATION CRITERIA

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.

WAC 292-110-010(1) and (3) – Use of state resources – (1) Statement of principles. All state employees and officers are responsible for the proper use of state resources, including funds, facilities, tools, property, and their time. This section does not restrict the use of state resources as described in subsections (2) and (3) of this section.