

ALASKA PUBLIC OFFICES COMMISSION  
MINUTES  
REGULAR COMMISSION MEETING  
JUNE 11-13, 2008

A regular meeting of the Alaska Public Offices Commission came to order at 9:05 a.m. on Friday, June 13, 2008. The meeting was held at 2221 E. Northern Lights Blvd. Rm. 128, Anchorage, Alaska.

Brackets [] indicate an agenda item number that includes information in meeting binders. Asterisk \* indicates no information was included in the meeting binders.

**In Attendance:**

**COMMISSION:** Roger Holl - Chair  
Elizabeth Hickerson - Vice Chair  
Shirley Dean - Commissioner  
Kathleen Frederick – Commissioner  
Kathleen (Kate) Ballenger - Commissioner

**STAFF:** Holly R. Hill – Executive Director  
Chris Ellingson – Assistant Executive Director  
Jeff Berliner – APOC Investigator  
Vullnet Grevu – Group Coordinator  
Kim Wilson – Candidate Coordinator  
Brenda (Joan) Mize – Admin. Clerk, Juneau office  
Maria Bulfa – Recording Secretary

**ATTENDEES:** William Milks, Assistant Attorney General, Dept. of Law (Juneau)  
Tina Anderson, Aleutian Borough Clerk, telephonically  
Sherri Jackson, Respondent  
Tom Dosik, Assistant Attorney General  
Jan DeYoung, Chief Assistant Attorney General  
Jean Clarkin, Litigation Assistant, Dept. of Law  
Ron Peck, ATIA Lobbyist  
Sheryl Fullerton, ATIA

**ON RECORD 9:05 a.m.**

Chair Holl introduced commission members.

**Request to Reduce or Waive Civil Penalty Assessments for Late Employer of Lobbyist Reports [12]**

Ms. Ellingson presented the staff report and recommendations prepared by Ms. Ware.

**CA, INC.**

LATE REPORT	2007 1 <sup>st</sup> quarter and 2 <sup>nd</sup> quarter employer of lobbyist reports
MAXIMUM CIVIL PENALTY:	1 <sup>st</sup> quarter – \$2,600. Filed 260 days late <u>2<sup>nd</sup> quarter – \$280. Filed 28 days late.</u>
STAFF RECOMMENDATION:	\$2,880 Total penalties assessed 1 <sup>st</sup> quarter – reduce penalty by 50%. 2 <sup>nd</sup> quarter – uphold maximum penalty of \$280.

CA, Inc. took prompt corrective action immediately upon learning of the delinquent reports and lack of response by one of the staff who resigned first week of January 2008. Affiant respectfully requests that the fine for 1<sup>st</sup> and 2<sup>nd</sup> quarter late report be waived or reduced.

**Commissioner Hickerson made a motion to accept staff recommendation reducing the fine by 50%, based on the fact that this was a new filer.**

**Commissioner Frederick seconded the motion.**

**The motion passed - 5-0**

**CALISTA CORPORATION**

LATE REPORT	2007 3 <sup>rd</sup> quarter employer of lobbyist report
MAXIMUM CIVIL PENALTY:	\$470. Filed 47 days late at \$10/day
STAFF RECOMMENDATION:	Reduce penalty

Affiant states that the person responsible for filing employer reports (Bob Charles) left Calista in August. Affiant says electronic notices that had been going to this staff person were not forwarded to other Calista personnel so that reporting could be done in a timely manner.

**Commissioner Hickerson moved to assess the maximum penalty because this is an experienced filer familiar with the process, and it is the filer's responsibility to keep APOC notified of address changes.**

**Commissioner Dean seconded the motion for the purpose of discussion.**

**The motion passed - 5-0**

**CHOICE POINT SERVICES**

LATE REPORT 2007 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> qtr employer of lobbyist reports  
MAXIMUM CIVIL PENALTY: 2<sup>nd</sup> Quarter – \$1,400. Filed 140 days late.  
3<sup>rd</sup> Quarter – \$480. Filed 48 days late.  
4<sup>th</sup> Quarter – \$390. Filed 39 days late  
STAFF RECOMMENDATION: Reduce penalty

Affiant states they didn't receive notices or warning for the 2<sup>nd</sup> and 3<sup>rd</sup> quarter reports and did not receive copies of filing forms for the 4<sup>th</sup> quarter. Problems have been corrected.

**Commissioner Dean moved to accept staff recommendation to assess \$1,020 based on the criteria on file.**

**Commissioner Frederick seconded the motion.**

**The motion passed - 5-0**

**Requests to Reduce or waive Civil Penalty Assessments for Late POFD Statements [16]**

Ms. Ellingson presented the staff reports and recommendations for Public Official Financial Disclosure Statements requesting reductions of civil penalty assessments for reports that were filed late.

**ALEUTIAN EAST BOROUGH – TINA ANDERSON, CLERK**

**Carol Foster – Borough Assembly**

LATE REPORT 2008 Annual POFD Statements  
MAXIMUM CIVIL PENALTY: \$62. Filed 18 days late at \$1/day for the first 7 days and \$5/day after that.  
STAFF RECOMMENDATION: Waive civil penalty.

Borough clerk Tina Anderson attended telephonically and gave her statement on behalf of Aleutian East Borough assembly members who filed late POFDs. The clerk was not aware that APOC was no longer mailing information and that the forms could now be downloaded and printed off the APOC Web site.

**Commissioner Ballenger made a motion to accept the staff recommendation and waive the civil penalty due to the fact that the APOC staff failed to send forms and other information to the boroughs and municipalities.**

**Commissioner Hickerson seconded the motion.**

**The motion passed 5-0**

**STANLEY MACK – MAYOR**

LATE REPORT 2008 Annual POFD Statements  
MAXIMUM CIVIL PENALTY: \$127. Filed 31 days late at \$1/day for the first 7 days and \$5/day after that.  
STAFF RECOMMENDATION: Reduce the civil penalty by 50% to \$63.50

Mr. Mack was not given the financial disclosure statement until after the deadline. The clerk was not aware APOC was no longer mailing information and forms.

**Commissioner Hickerson moved to waive the penalty due to a change in procedure that the APOC staff failed to send forms and other information to the boroughs and municipalities, and that confused the filers. This is considered a change in the normal process, and it occurred without the filers' knowledge.**

**Commissioner Dean seconded the motion.**

**The motion passed 5-0**

**GARY P. BADER – CHAIR, ALASKA LABOR RELATIONS AGENCY**

LATE REPORT 2008 Annual POFD Statement Anchorage  
MAXIMUM CIVIL PENALTY: \$95. Filed 17 days late at \$5/day for the first 15 days and \$10/day after that.  
STAFF RECOMMENDATION: Waive civil penalty.

Mr. Bader filed his initial statement in October 2007. He states that he did not receive any direction, orientation or training in filing a POFD statement.

**Commissioner Hickerson moved to impose the maximum penalty of \$95 due to the fact that this was his second filing and the filing date hasn't changed.**

**Commissioner Frederick seconded the motion.**

**The motion passed 5-0**

**BARRY D. COLLIER – ALASKA SEAFOOD MARKETING INSTITUTE BOARD**

LATE REPORT 2008 Annual POFD Statement  
MAXIMUM CIVIL PENALTY: \$55. Filed 11 days late at \$5/day for the first 15 days and \$10/day after that.  
STAFF RECOMMENDATION: Waive civil penalty.

Mr. Collier did not receive the APOC postcard notifying filers that all forms could be downloaded off the APOC Web site. After Mr. Collier was notified on March 25, 2008 of late filing, he acted promptly and on March 28, 2008 he filed a completed statement.

**Commissioner Hickerson made a motion to assess the maximum civil penalty of \$55 because it is Mr. Collier's fifth time filing, so he cannot be considered an inexperienced filer, and it is the filer's responsibility to make sure that the report is filed on time.**

**Commissioner Dean seconded the motion.**

**The motion passed with 5-0**

**JUDITH DEMARSH – HEARING OFFICER, DEPT. OF LABOR & WORKFORCE DEVELOPMENT**

LATE REPORT	2007 Initial POFD Statement
MAXIMUM CIVIL PENALTY:	\$50. Filed 10 days late at \$5/day for the first 15 days and \$10/day after that.
STAFF RECOMMENDATION:	Reduce the civil penalty by 50% to \$25.

Ms. DeMarsh was hired on December 12, 2007. Because Ms. DeMarsh was appointed at the end of the year she was confused about the requirement that she had to file two statements (initial and annual) in succession for two different calendar years.

**Commissioner Ballenger moved to waive the penalty due to confusion over filing requirements.**

**Commissioner Hickerson seconded the motion.**

**The motion passed 5-0**

**CYNTHIA M. ERICKSON – ALASKA WORKFORCE INVESTMENT BOARD**

LATE REPORT	2008 Annual POFD Statement
MAXIMUM CIVIL PENALTY:	\$105. Filed 18 days late at \$5/day for the first 15 days and \$10/day after that.
STAFF RECOMMENDATION:	Reduce civil penalty by 50% to \$52.50

Ms. Erickson thought that after filing her original statement in 2007 that she didn't have to file a subsequent statement. She was unaware of the requirement until notified of a missing statement.

**Commissioner Hickerson moved to impose a maximum penalty of \$105 because staff sent a courtesy postcard to alert filers to the due date and how to obtain forms. The commission stated that it is the filer's responsibility to file the report on time.**

**Commissioner Frederick seconded the motion. The motion passed 5-0**

**OFF RECORD 10:07 a.m.**

**BREAK**

**ON RECORD 10:20 a.m..**

**Investigation Report: APOC v. Sherri Jackson, 08-06-CD [20]**

The commission held a hearing on the above matter.

The commission found that Ms. Jackson violated AS 15.13.060 by failing to register Dan Coffey and Dan Sullivan as deputy treasurers at the time they were accepting contributions for her campaign. In addition the commission found that Ms. Jackson violated AS 15.13.114 by failing to promptly return prohibited contributions. Ms. Jackson also failed to properly disclose a debt incurred for a fundraising event, thus violating AS 15.13.040.

The commission assessed a total penalty of \$1,810 for these violations. For failure to register a deputy treasurer, the Commission assessed a penalty of \$650, for failing to return a prohibited contribution, the Commission assessed a penalty of \$600, for failing to disclose a debt properly on her seven-day report, the Commission assessed a penalty of \$560.

**OFF RECORD 11:50 A.M.**

**BREAK**

**ON RECORD 11:58 A.M.**

**Request to Reduce or Waive Civil Penalties for Lobbyist and Employer of Lobbyist [21]**

Ms. Ellingson presented the staff reports and recommendations prepared by Ms. Ware.

**ALASKA TRAVEL INDUSTRY ASSOCIATION (ATIA)**

LATE REPORT	2007 October-November special session lobbyist reports
MAXIMUM CIVIL PENALTY:	October special session: \$730. Filed 73 days late. November Special Session: \$420. Filed 42 days late \$1,150: Total penalties assessed
STAFF RECOMMENDATION:	Waive civil penalty

ATIA had a new employee handling report preparation responsibilities for APOC reports in fall 2007. The employee didn't complete necessary reports nor notify anyone in ATIA that the reports were due but had not been completed. The employee quit after two weeks. ATIA President and CEO Ron Peck made a statement to support reducing the penalty. ATIA Director of Finance Cheryl Fullerton said ATIA established a process to ensure this doesn't happen again.

**Commissioner Hickerson made a motion to waive the October special session civil penalty and assessed 50% of the \$420 fine for the November special session because Mr. Peck was a new filer, a good faith effort was made to file the reports as required, and a zero report was filed indicating no activity.**

**Commissioner Frederick seconded the motion.**

**The motion passed 5-0**

**Requests to Reduce or Waive Civil Penalty Assessments for Late POFD Statements [16]**

Ms. Ellingson presented the staff reports and recommendation for Public Official Financial Disclosure Statements requesting reductions of civil penalty assessments for reports that were filed late.

**AARON T. ISAACS – BOARD MEMBER, ALASKA LABOR RELATIONS AGENCY**

LATE REPORT	2008 Annual POFD Statement Anchorage
MAXIMUM CIVIL PENALTY:	\$50. Filed 10 days late at \$5/day for the first 15 days and \$10/day after that.
STAFF RECOMMENDATION:	Waive civil penalty

Mr. Isaacs is on a fixed income through social security and veteran disability. The affiant responded promptly within a week to the late notification letter sent out by APOC.

**Commission Hickerson made a motion to reduce the civil penalty by 50% and allow a payment plan. The commission determined that hardship was not a reason for someone to file the required report late. However, the commission agreed that Mr. Isaacs could be considered a new filer and approved a reduction of the maximum civil penalty.**

**Commissioner Ballenger seconded the motion.**

**The motion passed 5-0**

**MONICA JAMES – DIRECTOR OF FINANCE & ACCOUNTING, ALASKA AEROSPACE DEVELOPMENT CORP.**

LATE REPORT	2008 Annual POFD Statement Anchorage
MAXIMUM CIVIL PENALTY:	\$215. Filed 29 days late at \$5/day for the first 15 days and \$10/day after that.
STAFF RECOMMENDATION:	Waive civil penalty

Ms. James and her family were preparing for her husband to be deployed to Afghanistan for one year. During this period they also took an extended trip out of the country. When she returned Ms. James acted accordingly and filed the statement with APOC immediately.

**Commissioner Ballenger made a motion to accept staff recommendation.**

**Commissioner Dean seconded the motion.**

**The motion passed 5-0**

**KATHRYN K. LAMAL – DIRECTOR, NATURAL GAS DEVELOPMENT AUTHORITY**

LATE REPORT 2008 Annual POFD Statement  
MAXIMUM CIVIL PENALTY: \$215. Filed 29 days late at \$5/day for the first 15 days and \$10/day after that.  
STAFF RECOMMENDATION: Reduce civil penalty to \$25

Ms. Lamal was asked to serve as director by the governor and at the time she was not aware of the disclosure requirements. She believes the documents are daunting and had to think hard about if she was willing to disclose her personal financial situation to public scrutiny.

**Commissioner Frederick made a motion to impose the maximum civil penalty of \$215 since the filer knew what the reporting requirements were when she was appointed and should have rejected the appointment or followed the law and filed her report as required on time.**

**Commissioner Dean seconded the motion.**

**The motion passed 5-0.**

**The commission recessed for lunch**

**OFF RECORD 12:25 p.m.**

**LUNCH**

**ON RECORD 1:00 p.m.**

**Legislative wrap up – Legislation that affects APOC [13]**

Jan DeYoung from Dept. of Law talked about legislation that affects APOC under HB 281, HB 305, and HB 368.

**APOC Penalty Collection Process**

Jan DeYoung gave an oral presentation.

Jean Clarkin from the Department of Law made an oral presentation.

The commission took a 5-minute break

**OFF RECORD 2:35 P.M.**

**BREAK**

**ON RECORD 2:40 P.M.**

**POFD Civil Penalties – continued [16]**

Ms. Ellingson presented the staff reports and recommendation for Public Official Financial Disclosure Statements, requesting reductions of civil penalty assessments for reports that were filed late.

**MATT MCSORLEY – ALASKA LABOR RELATIONS AGENCY**

LATE REPORT 2008 Annual POFD Statement  
MAXIMUM CIVIL PENALTY: \$55. Filed 11 days late at \$5/day for the first 15 days and \$10/day after that.  
STAFF RECOMMENDATION: Reduce civil penalty to \$25.

Mr. McSorley incorrectly thought that the report he filed in September 2007 was good until September 2008

**Commissioner Dean moved to accept staff recommendation to reduce the fine to \$25.**

**Commissioner Ballenger seconded the motion.**

**The motion passed 5-0**

**MALCOM MENZES – SPECIAL ASSISTANT, DEPT. OF TRANSPORTATION & PUBLIC FACILITIES**

LATE REPORT 2008 Annual POFD Statement  
MAXIMUM CIVIL PENALTY: \$145. Filed 22 days late at \$5/day for the first 15 days and \$10/day after that.  
STAFF RECOMMENDATION: Reduce civil penalty by 50% to \$72.50

Mr. Menzies was on vacation and unreachable from March 20, 2008 until April 7, 2008.

**Commissioner Frederick made a motion to assess the full penalty. The commission did not find that the respondent's statement of being on vacation was persuasive. The commission stated that it is extremely important that state officials comply with the law.**

**Commissioner Dean seconded the motion.**

**The motion passed 5-0**

**GRACE MERKES – STATE COMMISSION ON HUMAN RIGHTS**

LATE REPORT 2008 Annual POFD Statement  
MAXIMUM CIVIL PENALTY: \$50. Filed 10 days late at \$5/day for the first 15 days and \$10/day after that  
STAFF RECOMMENDATION: Reduce civil penalty 50% to \$25

Ms. Merkes filed with the Kenai Peninsula Borough as an assembly member and thought that she was on time; forgetting that she had to file a statement for being appointed on the Human Rights Commission (dual appointments).

**Commissioner Hickerson moved to impose the full fine of \$50 because the filer is experienced and is aware that the filing is required, one for the municipal office and one for the board position. It is important for state filers to comply with the law.**

**Commission Ballenger seconded the motion.**

**The motion passed 5-0**

Ms Ellingson asked the commission to grant commission staff the authority to waive the assessed civil penalty applied against any filers that are late from the Aleutians East Borough because of staff error.

**Commissioner Frederick made a motion to grant commission staff the authority to waive penalties assessed against Aleutians East Borough late filers.**

**Commissioner Ballenger seconded the motion.**

**The motion passed 5-0**

**Commissioner Hickerson made a motion to go into executive session to discuss personnel issues that the executive director requested as well as an update on any pending issues of either state or federal items.**

**Commissioner Dean seconded the motion.**

**The motion passed 5-0**

**OFF RECORD 3:05 p.m.**

**OFF RECORD**

**ON RECORD 4:31 p.m.**

**Approval of Minutes [1]**

**Commissioner Hickerson moved to adopt the minutes as corrected.**

**Commissioner Ballenger seconded the motion**

**The motion passed 5-0**

**Commission Meeting Dates**

Tuesday and Wednesday, August 5-6, 2008.

Wednesday through Friday, September 24-26, 2008.

**Election of Officers [\*]**

**Commissioner Frederick nominated Elizabeth Hickerson for position of chair of commission.**

**Commissioner Ballenger seconded the nomination.**

**Commissioner Hickerson accepted the offered motion.**

**Commissioner Ballenger – Yes**

**Commissioner Frederick – Yes**

**Commissioner Dean – Yes**

**Chair Holl – Yes**

**The motion passed 4-0**

**Commissioner Hickerson nominated Kathleen Frederick for position of vice chair of the commission.**

**Commissioner Ballenger seconded the motion.**

**The motion passed 4-0**

**Commissioner Hickerson made a motion to adjourn.**

**Commissioner Dean seconded the motion.**

**The motion passed 5-0**

**OFF RECORD 5:00 p.m.**