



Commonwealth of Massachusetts **STATE ETHICS COMMISSION**

One Ashburton Place - Room 619
Boston, Massachusetts 02108

Hon. Barbara A. Dortch-Okara (ret.)
Chair

David A. Wilson
Executive Director

December 12, 2017

Scott Parseghian
Wayland High School
264 Old Connecticut Path
Wayland, MA 01778

Dear Mr. Parseghian:

As you know, the State Ethics Commission conducted a preliminary inquiry into whether you, as a Wayland Public Schools employee, violated §§ 17, 19 and 23(b)(3) of G.L. c. 268A, the conflict of interest law, by purchasing apparel and other goods from businesses owned by your father, and by acting as an agent for the businesses in transactions with Wayland High School.

On September 21, 2017, the Commission voted to find reasonable cause to believe you violated G.L. 268A. Rather than initiating adjudicatory proceedings against you, however, the Commission chose to resolve this matter through this Public Education Letter because: (1) Wayland High School investigated the matter and imposed a financial penalty on you; and (2) you brought this matter to the Commission's attention as a self-report and fully cooperated with the Commission's investigation.

The Commission and you have agreed this matter will be resolved publicly with this educational letter and that there will be no formal proceedings against you. You have chosen not to exercise your right to a hearing before the Commission. The Commission expects that, by resolving this matter through this Public Education Letter, you, and other public employees in similar circumstances, will have a clearer understanding of the conflict of interest law and how to comply with it.

The Facts

You have worked for Wayland Public Schools since 1996. Between 2004 and 2016, you served as the Assistant Principal of Wayland High School. You have also served as the Wayland High School head football coach for sixteen years.

At all relevant times, your father, Arnold Parseghian, sold embroidered and screen-printed clothing through businesses he solely owned. Over the years, your father did business as

PSCMS, Inc., Hancock Printing and A&S Printing, and his customers included the Wayland Public Schools. Between 2001 and 2015, Wayland High School paid a total of approximately \$150,000 to your father's businesses.

From 2001 until 2015, you participated as a Wayland Public Schools employee in purchases of merchandise from your father's businesses for the Wayland High School football team. You did so by, as football coach, deciding or helping to decide what merchandise to purchase and from whom to purchase it, by placing purchase orders with your father's businesses, and/or by submitting to the Wayland High School or, in 2014 and 2015, to the Wayland Booster Club, requests for payment for the ordered merchandise (check requests). When the decision was to purchase merchandise from your father's businesses, as it often was, you handled the orders. Invoices from your father's businesses and check requests from this time period relating to forty-one purchases for the Wayland High School football team and other High School teams and clubs identify you as the purchaser and total roughly \$60,000. Many of the invoices also identify you as your father's businesses' representative.

During this same time period, you also facilitated purchases of merchandise from your father's businesses for other Wayland High School teams, clubs and departments. You did so by providing catalogs and keeping samples of your father's businesses' merchandise in your Wayland High School office, taking merchandise orders, and delivering the ordered merchandise. Other Wayland High School staff members, acting on behalf of school athletic teams, clubs, or departments, reviewed catalogs and merchandise samples in your office, placed orders through you with your father's businesses, and/or received delivery of ordered merchandise through you. Invoices and check requests for forty-six purchases from your father's businesses during this time period for these other Wayland High School teams, clubs and departments, identify you as the 'rep' or 'delivery representative' of your father's businesses and total roughly \$60,000.

In or about June 2015, when concerns about whether you had a conflict of interest with respect to the transactions between Wayland High School and your father's businesses were brought to your attention, you ended your involvement in the transactions and self-reported your conduct to the Commission.

Legal Analysis

As an employee of the Wayland Public Schools, you are municipal employee of the Town of Wayland, as defined by c. 268A § 1(g), and subject to the conflict of interest law. The Commission voted to find reasonable cause that you violated §§ 17(c), 19, and 23(b)(3) of this law for the reasons set forth below.

Section 17

Your facilitation of transactions between your father's businesses and Wayland High School and its departments, teams and clubs raises concerns under § 17(c) of the conflict of interest law. Section 17 prohibits a municipal employee from acting as agent or attorney for anyone other than his municipal employer in connection with a particular matter in which the municipality is a party or has a direct and substantial interest, unless doing so is part of the employee's official duties. The purpose of this prohibition is to prevent having a municipal employee's loyalty divided between his public employer and another party.

A municipal employee 'acts as an agent' by communicating on behalf of a third party or acting as a liaison for a third party. *See Advisory 88-01: Municipal Employees Acting as Agent for Another Party.* In your case, you offered samples of your father's businesses' merchandise, took purchase orders, and delivered purchased goods. Although you were not compensated by your father's business for these actions, they still constituted acting as agent for your father's businesses in connection with the purchase of the businesses' merchandise by Wayland High School, its departments, teams and clubs. These purchases of merchandise were "particular matters" in which your municipal employer, the Town of Wayland, had a direct and substantial interest because the purchases were either paid for by Wayland High School, or with monies raised by fundraisers authorized and approved by the High School. The Town has a direct and substantial interest in the expenditure of Wayland High School funds and of monies raised with the authorization of the High School for the benefit of the High School and its teams and clubs.

Section 19

Your participation as a municipal employee in purchases of merchandise from your father's businesses raises issues under § 19 of the conflict of interest law. Section 19 prohibits a municipal employee from participating in his official capacity in any particular matter in which, to his knowledge, he or his immediate family has a financial interest. The purpose of § 19 is to avoid self-dealing and nepotism by municipal employees in the performance of their official duties. As described above, you participated as a Wayland High School employee in multiple decisions to purchase merchandise from your father's businesses, and submitted requests for payment for items purchased from your father's businesses to the High School or the Booster Club. You were aware that a member of your immediate family, your father, had a financial interest in the purchases. Although you told us that you believed your appointing authority tacitly approved of the business relationship between your father's businesses and Wayland High School, neither your belief nor your appointing authority's tacit approval, if true, would have been sufficient to make your participation in the purchases lawful. In order for you to have been able to participate as a municipal employee in purchases from your father's businesses without violating § 19, you would, prior to your participation, have had to have fully disclosed in writing to your appointing authority the facts of your participation and your father's financial interest and received back from your appointing authority a written determination allowing your participation in the purchases. You did not do so.

Section 23(b)(3)

Section 23(b)(3) of the conflict of interest law prohibits a public employee from, knowingly or with reason to know, acting in a matter which would cause a reasonable person, with knowledge of the relevant circumstances, to conclude that anyone can improperly influence or unduly enjoy that the public employee's favor in the performance of his official duties, or that the public employee is likely to act or fail to act as a result of kinship, rank, position or undue influence of any party or person. Section 23(b)(3) addresses the appearance of undue influence or favoritism in the official actions of public employees. Given your participation as Wayland High School head football coach in purchases of merchandise from your father's businesses, a reasonable person would conclude that you are likely to act as a result of kinship to your father, or that your father can unduly enjoy your favor in the performance of your official duties as an employee of the Wayland Public Schools.

A public employee may avoid violating § 23(b)(3) by making a full written disclosure to his appointing authority of the facts that would otherwise lead to an appearance of undue influence or favoritism. At no point did you make such a disclosure. Thus, even if you believed your appointing authority tacitly approved of your actions, you still violated §23(b)(3).

Disposition

The Commission is authorized to resolve violations of G.L. c. 268A with civil penalties of up to \$10,000 for each violation, except that a civil penalty of up to \$25,000 may be imposed for G.L. c. 268A, § 2 violations (bribes). Based upon its review of this matter, however, the Commission has determined that the public interest would be best served by the issuance of this educational letter in lieu of adjudicatory proceedings, and that your receipt of this Public Education Letter should be sufficient to ensure your understanding of and future compliance with the conflict of interest law.

The matter is now closed.

Very truly yours,



David A. Wilson
Executive Director