

COMMONWEALTH OF MASSACHUSETTS
STATE ETHICS COMMISSION

SUFFOLK, ss.

COMMISSION ADJUDICATORY
DOCKET NO. 13-0002

IN THE MATTER

OF

ALGIRD SUNSKIS

ORDER TO SHOW CAUSE

1. The State Ethics Commission ("Commission") is authorized by G.L. c. 268B to enforce G.L. c. 268A, the state conflict of interest law, and in that regard, to initiate and conduct adjudicatory proceedings.

2. On May 20, 2011, the Commission (a) found reasonable cause to believe that Lanesborough resident Algird Sunskis ("Sunskis") violated G.L. c. 268A, §§ 2(a), 3(a) and 20, and (b) authorized the initiation of adjudicatory proceedings.

Pocket Folders Kickback

FACTS

3. During all times relevant, Sunskis was a teacher at the high school of the Lawrence Public Schools ("LPS"). As such, Sunskis was a municipal employee as that term is defined in G.L. c. 268A, § 1.

4. Sunskis was also co-owner of Wellington House Publishing, Inc. ("Wellington Publishing") from its incorporation in 2007 until its dissolution in 2009.

5. Sunskis signed Wellington Publishing checks for services.

6. John Laurenza was a graphic designer in the LPS Graphics Department

("Graphics Dept.") from 2007 to June 30, 2010.

7. Laurenza's duties as a graphic designer included designing, producing and printing materials for LPS, and on occasion, ordering supplies for LPS.

8. In early 2008, LPS needed 10,000 pocket folders. (A pocket folder is a folded sheet of light cardboard with openings, or pockets, inside for loose papers.)

9. In or about early 2008, Sunskis offered to give Laurenza money in exchange for Laurenza taking the necessary actions to ensure that Wellington Publishing obtained the LPS contract for the 10,000 pocket folders.

10. In his LPS capacity, Laurenza falsely certified to LPS that Wellington Publishing had provided the lowest bid, \$4,788, regarding the pocket folders contract.

11. In his LPS capacity, Laurenza arranged for LPS to issue a purchase order dated February 21, 2008, to Wellington Publishing for \$4,788 for 10,000 pocket folders.

12. On or about March 31, 2008, a Lowell vendor issued an invoice to Wellington Publishing for \$4,347.60 for the 10,000 pocket folders.

13. In or about April 2008, LPS received the pocket folders.

14. On or about June 3, 2008, Wellington Publishing issued an invoice to LPS for \$4,950.40 for the pocket folders. (The increase between the \$4,788 accepted bid and the \$4,950.40 invoice reflected a purported shipping charge.)

15. On or about July 17, 2008, the City of Lawrence issued a check to Wellington Publishing for \$4,950.40 in payment of the invoice, which was deposited into Wellington Publishing's account.

16. On or about August 27, 2008, Sunskis, through Wellington Publishing, signed and issued a \$245.84 check to Laurenza for arranging to have Wellington

Publishing obtain the pocket folders contract.

LAW

Section 2(a)

17. Section 2(a) of G.L. c. 268A, in relevant part, prohibits an individual from directly or indirectly, corruptly giving, offering or promising anything of value to any municipal employee with intent to influence any official act or any act within the official responsibility of such employee.

18. Laurenza's actions, as an LPS employee, in certifying Wellington Publishing as the low bidder on the pocket folders contract and in arranging for LPS to issue a purchase order to Wellington Publishing for the pocket folders contract were official acts.

19. As noted above, Sunskis, through Wellington Publishing, issued Laurenza a \$245.84 check for enabling Wellington Publishing to obtain the pocket folders contract.

20. The \$245.84 payment was an item of value.

21. Sunskis, through Wellington Publishing, paid Laurenza \$245.84 in return for arranging for Wellington Publishing to improperly charge a \$575.80 mark-up on the pocket folders contract.

22. The exchange was corrupt because it involved bid rigging. Sunskis participated in a sham bid process in which Laurenza misrepresented Wellington Publishing as the lowest bidder. Once Wellington Publishing obtained payment from LPS for the pocket folders contract, Wellington Publishing kicked back \$245.84 as payment to Laurenza for his role in the sham mark-up.

23. Thus, by corruptly paying Laurenza \$245.84 in return for the performance

of these official acts, Sunskis violated § 2(a).

Section 3(a)

24. Section 3(a) of G.L. c. 268A, in relevant part, prohibits anyone, otherwise than as provided by law for the proper discharge of official duty, from directly or indirectly giving or offering anything of substantial value to any municipal employee for or because of any official act performed or to be performed by such employee.

25. The payment of \$245.84 to Laurenza was of substantial value, because it was at least \$50 or more.

26. By giving Laurenza \$245.84 through Wellington Publishing, Sunskis intended to reward Laurenza for certifying Wellington Publishing as the low bidder on the pocket folders contract and arranging for Wellington Publishing to improperly charge a \$575.80 mark-up on the pocket folders contract.

27. By giving Laurenza \$245.84 through Wellington Publishing, Sunskis provided something of substantial value to Laurenza, a municipal employee, for or because of official acts performed by Laurenza. The payment of \$245.84 was not otherwise provided by law for the proper discharge of official duties. Therefore, Sunskis violated G.L. c. 268A, § 3(a) by giving Laurenza \$245.84 as described above.

Section 20

28. Section 20 prohibits a municipal employee from having a financial interest, directly or indirectly, in a contract made by a municipal agency of the same city or town, in which the city or town is an interested party of which financial interest he has knowledge or has reason to know.

29. The pocket folder contract was a contract made by the LPS in which the

City of Lawrence was an interested party.

30. As co-owner of Wellington Publishing, Sunskis had a direct or indirect financial interest in the pocket folder contract between LPS and Wellington Publishing.

31. Sunskis knew or had reason to know of his financial interest in the pocket folder contract.

32. By, as an LPS employee, entering into the pocket folder contract with the LPS through Wellington Publishing, Sunskis had a financial interest, directly or indirectly, in a contract made by the LPS, in which the City of Lawrence was an interested party of which financial interest Sunskis had knowledge or had reason to know. Therefore, Sunskis violated § 20.

Timesheets Kickback

FACTS

33. During spring 2008, Laurenza received a request from the LPS Payroll Department to update and print 15,000 copies of its carbon bi-weekly timesheets.

34. In or about spring 2008, Sunskis, through Wellington Publishing, agreed to give Laurenza money in exchange for Laurenza taking the necessary actions to ensure that Wellington Publishing obtained the contract to produce the 15,000 timesheets.

35. In his LPS capacity, Laurenza falsely certified to LPS that Wellington Publishing had provided the lowest bid, \$1,194, regarding the timesheets contract.

36. In his LPS capacity, Laurenza arranged for LPS to issue a purchase order dated April 4, 2008, to Wellington Publishing for \$1,194 for 15,000 timesheets.

37. Neither Sunskis, nor Laurenza, recall the name of the vendor that produced the timesheets or the amount that the vendor charged Wellington Publishing to

produce the timesheets.

38. In or about 2008, LPS received the timesheets.

39. On or about August 26, 2008, Wellington Publishing issued an invoice to LPS for \$1,347.92 for the timesheets. (The increase between the \$1,194 accepted bid and the \$1,347.92 invoice reflected a purported shipping charge.)

40. On or about September 29, 2008, the City of Lawrence issued a check to Wellington Publishing for \$1,347.92 in payment of the invoice.

41. On or about October 20, 2008, Sunskis, through Wellington Publishing, signed and issued a \$290.28 check to Laurenza for arranging to have Wellington Publishing obtain the timesheets contract.

LAW

Section 2(a)

42. Laurenza's actions, as an LPS employee, in certifying Wellington Publishing as being the low bidder on the timesheets contract and in arranging for LPS to issue a purchase order to Wellington Publishing for the timesheets contract were official acts.

43. As noted above, Sunskis, through Wellington Publishing, signed and issued a \$290.28 check to Laurenza for enabling Wellington Publishing to obtain the timesheets contract.

44. The \$290.28 payment was an item of value.

45. Sunskis, through Wellington Publishing, paid Laurenza \$290.28 in return for Laurenza certifying Wellington Publishing as being the low bidder on the timesheets contract and arranging for Wellington Publishing to improperly charge a mark-up on the

timesheets contract, which according to Laurenza, resulted in a \$300-\$400 profit.

46. The exchange was corrupt because it involved bid rigging. Laurenza participated in a sham bid process in which he misrepresented Wellington Publishing as the lowest bidder. Once Wellington Publishing obtained payment from LPS for the timesheets, Sunskis kicked back \$290.28 as payment to Laurenza.

47. Thus, by corruptly giving Laurenza \$290.28 in return for the performance of these official acts, Sunskis violated § 2(a).

Section 3(a)

48. The payment of \$290.28 to Laurenza was of substantial value because it was at least \$50 or more.

49. By giving Laurenza \$290.28 through Wellington Publishing, Sunskis intended to reward Laurenza for certifying Wellington Publishing as the low bidder on the timesheets contract and arranging for Wellington Publishing to improperly charge a mark-up on the timesheets contract.

50. By arranging to give Laurenza \$290.28 through Wellington Publishing, Sunskis provided something of substantial value to Laurenza, a municipal employee, for or because of official acts performed by Laurenza. The payment of \$290.28 was not otherwise provided by law for the proper discharge of official duties. Therefore, Sunskis violated G.L. c. 268A, § 3(a) by giving Laurenza \$290.28 as described above.

Section 20

51. The timesheets contract was a contract made by the LPS in which the City of Lawrence was an interested party.

52. As co-owner of Wellington Publishing, Sunskis had a direct or indirect

financial interest in the timesheets contract between LPS and Wellington Publishing.

53. Sunskis knew or had reason to know of his financial interest in the timesheets contract.

54. By, as an LPS employee, entering into the timesheets contract with the LPS through Wellington Publishing, Sunskis had a financial interest, directly or indirectly, in a contract made by the LPS, in which the City of Lawrence was an interested party of which financial interest Sunskis had knowledge or had reason to know. Therefore, Sunskis violated § 20.

Folding Machine Kickback

FACTS

55. Charles Birchall ("Birchall") was employed by the Lawrence Public Schools ("LPS") as a Graphics Department clerk from 2002 to 2011.

56. As an LPS Graphics Department clerk, Birchall's duties included graphic design, high volume printing, and ordering Graphics Department goods and supplies.

57. On or about September 8, 2008, Birchall, in his capacity as an LPS Graphics Department clerk, generated a \$4,893.12 LPS purchase order to Wellington Publishing for a folding machine.

58. On or about October 20, 2008, Wellington Publishing issued an invoice for \$4,944.62, which included an additional charge of \$51.50 for shipping, to LPS for a folding machine.

59. On or about November 17, 2008, the City of Lawrence issued a check to Wellington Publishing for \$4,944.62 for the folding machine.

60. On or about November 27, 2008, Sunskis, through Wellington Publishing,

paid Birchall \$2,200, which Birchall kept, for issuing the LPS folding machine purchase order.

61. LPS did not receive a folding machine from either Wellington Publishing or Sunskis.

LAW

Section 2(a)

62. The issuance of a purchase order was the performance of an official act or act within Birchall's official responsibility.

63. As noted above, Sunskis, through Wellington Publishing, issued and signed a \$2,200 check to Birchall for issuing the LPS purchase order.

64. The \$2,200 payment was an item of value.

65. At the time that Sunskis, through Wellington Publishing, paid Birchall \$2,200, he did so in return for Birchall's action, in his LPS capacity, in generating a fraudulent \$4,893.12 purchase order for a folding machine.

66. The exchange was corrupt because it was a sham transaction. Sunskis, through Wellington Publishing, paid Birchall to generate a \$4,893.12 purchase order for a machine that Sunskis knew that Wellington Publishing was not going to deliver.

67. Thus, by corruptly giving \$2,200 to Birchall in return for the performance of the foregoing official act or act within Birchall's responsibility as an LPS Graphics Department clerk, Sunskis violated § 2(a).

Section 3(a)

68. The payment of \$2,200 to Birchall was of substantial value, because it was at least \$50 or more.

69. By giving Birchall \$2,200 through Wellington Publishing, Sunskis intended to reward Birchall for arranging for LPS to issue a folding machine purchase order to Wellington Publishing.

70. By giving Birchall \$2,200 through Wellington Publishing, Sunskis provided something of substantial value to Birchall, a municipal employee, for or because of official acts performed by Birchall. The payment of \$2,200 was not otherwise provided by law for the proper discharge of official duties. Therefore, Sunskis violated G.L. c. 268A, § 3(a) by giving Birchall \$2,200 as described above.

Section 20

71. The folding machine contract was a contract made by the LPS in which the City of Lawrence was an interested party.

72. As co-owner of Wellington Publishing, Sunskis had a direct or indirect financial interest in the folding machine contract between LPS and Wellington Publishing.

73. Sunskis knew or had reason to know of his financial interest in the folding machine contract.

74. By, as an LPS employee, entering into the folding machine contract with the LPS through Wellington Publishing, Sunskis had a financial interest, directly or indirectly, in a contract made by the LPS, in which the City of Lawrence was an interested party of which financial interest Sunskis had knowledge or had reason to know. Therefore, Sunskis violated § 20.

WHEREFORE, Petitioner asks that the Commission:

1. find that Sunskis violated G.L. c. 268A,

§§ 2(a), 3(a) and 20 as described above; and

2. levy such fines, issue such orders and grant such other relief as may be appropriate.

Respectfully Submitted,

Petitioner State Ethics Commission
By its attorney,

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