

SETTLEMENT AGREEMENT

This agreement made and entered into between the Executive Branch Ethics Commission (hereinafter the "Commission") and Marla J. Hadley.

WHEREAS, this agreement involves the matter styled *Executive Branch Ethics Commission v. Marla J. Hadley*, Case No. 14-023;

WHEREAS, the Commission is designated by statute as the agency responsible for enforcing the Executive Branch Code of Ethics, KRS Chapter 11A;

WHEREAS, on September 15, 2014, the Commission alleged facts in an Initiating Order that Marla J. Hadley violated the Executive Branch Code of Ethics codified at KRS 11A.020(1)(a), (b), (c), and (d), KRS 11A.020(2), and KRS 11A.040(1), (2), and (5);

WHEREAS, Marla J. Hadley was at all relevant times mentioned in the Initiating Order a "public servant" as defined in KRS 11A.010(9) and thus subject to the Executive Branch Code of Ethics; and

WHEREAS, Marla J. Hadley indicates her desire to resolve all issues in this action by the execution of a Settlement Agreement.

WHEREAS, Marla J. Hadley has been criminally charged in state court for four (4) counts of Knowing Exploitation of an Adult Under \$300 stemming from the conduct that is the subject-matter of the above-referenced administrative proceedings;

WHEREAS, Marla J. Hadley has entered a Plea of Guilty for the criminal misdemeanor charges in state court, which includes agreeing to a serve term of twelve (12) months under the custody of the Department of Corrections, which has been probated for two years pending no future arrests, and was fined approximately \$2659.72 in restitution to be paid to her former appointing authority and required to pay \$170 in court costs;

WHEREAS, Marla J. Hadley has been dismissed from her public service, resulting in a loss of her accumulated annual leave, valued at \$854.00.

NOW, THEREFORE, in settlement of the above allegations, the Commission and Marla J. Hadley agree, pursuant to KRS 11A.100, as follows:

1. Marla J. Hadley admits that she committed violations of the Executive Branch Code of Ethics codified at KRS 11A.020(1)(a), (b), (c), and (d), KRS 11A.020(2), and KRS 11A.040(1), (2), and (5), as stated in the Appendix A to the Commission's Initiating Order of September 15, 2014, attached hereto and incorporated by reference herein.

2. Marla J. Hadley agrees to pay the Commission a civil penalty of five thousand dollars (\$5,000.00), which will be offset on a dollar-for-dollar basis by the restitution and court costs she has agreed to pay, as well as the value of the leave time that Hadley forfeited to the Commonwealth. Hadley agrees to pay the Commission the remaining one thousand, three hundred, sixteen dollars, and twenty-eight cents (\$1,316.28) concurrently with the signing of this Settlement Agreement.

3. Marla J. Hadley agrees that upon a Final Order being issued by the Commission that she waives all rights to any further administrative process or appeal pursuant to KRS 13B.140 thereon.

4. The parties further agree that the acceptance of this Settlement Agreement by both parties, and the fulfillment of its express terms, is in full accord and satisfaction of the herein referenced *Executive Branch Ethics Commission v. Marla J. Hadley*, Agency Case No. 14-023.

5. This Settlement Agreement constitutes a public reprimand to Marla J. Hadley, a copy of which will be provided to her appointing authority pursuant to KRS 11A.100(3)(c).

IN WITNESS THEREOF, the parties have caused this agreement to be executed:

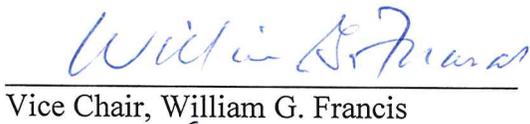

Marla J. Hadley

3/12/15
Date

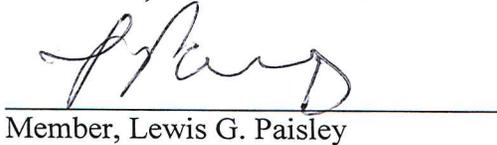
EXECUTIVE BRANCH ETHICS COMMISSION:


Chair, William David Denton

3-23-15
Date


Vice Chair, William G. Francis

3-23-15
Date


Member, Lewis G. Paisley

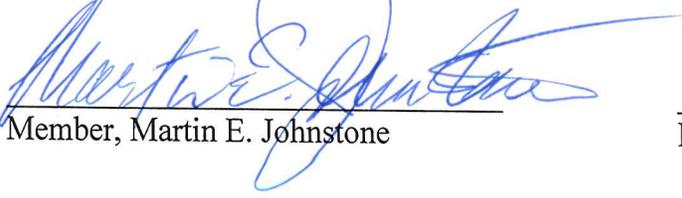
3-23-15
Date



Member, Richard L. Masters

3-23-15

Date



Member, Martin E. Johnstone

3-23-15

Date

**APPENDIX A
CASE NO. 14-023
INITIATING ORDER**

ALLEGATION OF VIOLATIONS

The Respondent, Marla J. Hadley, was at all relevant times an employee of the Commonwealth of Kentucky, serving in the Department for Aging and Independent Living, Salt River Guardianship Section, Cabinet for Health and Family Resources. As such, the Respondent was subject to the jurisdiction of the Commission. KRS 11A.010(9)(h).

During the course of its preliminary investigation, the Commission found probable cause to believe that Marla J. Hadley committed the following violations:

COUNT I

Marla J. Hadley, during her course of employment as a Social Service Clinician II, Department for Aging and Independent Living, Salt River Guardianship Section, Cabinet for Health and Family Resources, used her influence in matters that involved a substantial conflict between her personal or private interest and her duties in the public interest; influenced a public agency in derogation of the state at large; used her official position to give herself or a family member a financial gain; used her official position to secure or create privileges, exemptions, advantages, or treatment for herself or others in derogation of the public interest; failed to avoid all conduct which might in any way lead members of the general public to conclude that she was using her official position to further her professional or private interest; in order to further her own economic interests, or those of any other person, knowingly disclosed or used confidential information acquired in the course of her official duties; knowingly received, directly or indirectly, interest or profit arising from the use or loan of public funds in her hands or to be raised through any state agency; and knowingly accepted compensation, other than that provided

by law for public servants, for performance of her official duties without the prior approval of the Commission.

Specifically, at some time between August 2013 and November 2013, Hadley used her position to gain access to funds belonging to Victim A¹, who was an adult under her supervision as part of her duties for the Department. Hadley misappropriated those funds for her own personal use and enjoyment and the use and enjoyment of others without the knowledge or approval of her Department, Victim A, or his family.

These facts constitute violations of KRS 11A.020(1)(a) and (b).

KRS 11A.020(1)(a), (b), (c), and (b) provide:

- (1) No public servant, by himself or through others, shall knowingly:
 - (a) Use or attempt to use his influence in any matter which involves a substantial conflict between his personal or private interest and his duties in the public interest;
 - (b) Use or attempt to use any means to influence a public agency in derogation of the state at large;
 - (c) Use his official position or office to obtain financial gain for himself or any members of the public servant's family;
or
 - (d) Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in derogation of the public interest at large.

KRS 11A.020(2) provides:

- (2) If a public servant appears before a state agency, he shall avoid all conduct which might in any way lead members of the general public to conclude that he is using his official position to further his professional or private interest.

KRS 11A.040(1),(2), and (5) provide:

¹ All individuals who were alleged victims of the Respondent will be referred to as Victim A, B, C, and so forth, for the purposes of this Initiating Order to preserve the victim's privacy until otherwise directed to identify these individuals by an order of the Hearing Officer.

(1) A public servant, in order to further his own economic interests, or those of any other person, shall not knowingly disclose or use confidential information acquired in the course of his official duties.

(2) A public servant shall not knowingly receive, directly or indirectly, any interest or profit arising from the use or loan of public funds in his hands or to be raised through any state agency.

(5) A public servant shall not knowingly accept compensation, other than that provided by law for public servants, for performance of his official duties without the prior approval of the commission.

COUNT II

Marla J. Hadley, during her course of employment as a Social Service Clinician II, Department for Aging and Independent Living, Salt River Guardianship Section, Cabinet for Health and Family Resources, used her influence in matters that involved a substantial conflict between her personal or private interest and her duties in the public interest; influenced a public agency in derogation of the state at large; used her official position to give herself or a family member a financial gain; used her official position to secure or create privileges, exemptions, advantages, or treatment for herself or others in derogation of the public interest; failed to avoid all conduct which might in any way lead members of the general public to conclude that she was using her official position to further her professional or private interest; in order to further her own economic interests, or those of any other person, knowingly disclosed or used confidential information acquired in the course of her official duties; knowingly received, directly or indirectly, interest or profit arising from the use or loan of public funds in her hands or to be raised through any state agency; and knowingly accepted compensation, other than that provided by law for public servants, for performance of her official duties without the prior approval of the Commission.

Specifically, at some time between August 2013 and November 2013, Hadley used her position to gain access to funds belonging to Victim B, who was an adult under her supervision

as part of her duties for the Department. Hadley misappropriated those funds for her own personal use and enjoyment and the use and enjoyment of others without the knowledge or approval of her Department, Victim B, or his family.

These facts constitute violations of KRS 11A.020(1)(a) and (b).

KRS 11A.020(1)(a), (b), (c), and (b) provide:

- (1) No public servant, by himself or through others, shall knowingly:
 - (a) Use or attempt to use his influence in any matter which involves a substantial conflict between his personal or private interest and his duties in the public interest;
 - (b) Use or attempt to use any means to influence a public agency in derogation of the state at large;
 - (c) Use his official position or office to obtain financial gain for himself or any members of the public servant's family;
or
 - (d) Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in derogation of the public interest at large.

KRS 11A.020(2) provides:

- (2) If a public servant appears before a state agency, he shall avoid all conduct which might in any way lead members of the general public to conclude that he is using his official position to further his professional or private interest.

KRS 11A.040(1),(2), and (5) provide:

- (1) A public servant, in order to further his own economic interests, or those of any other person, shall not knowingly disclose or use confidential information acquired in the course of his official duties.
- (2) A public servant shall not knowingly receive, directly or indirectly, any interest or profit arising from the use or loan of public funds in his hands or to be raised through any state agency.

- (5) A public servant shall not knowingly accept compensation, other than that provided by law for public servants, for performance of his official duties without the prior approval of the commission.

COUNT III

Marla J. Hadley, during her course of employment as a Social Service Clinician II, Department for Aging and Independent Living, Salt River Guardianship Section, Cabinet for Health and Family Resources, used her influence in matters that involved a substantial conflict between her personal or private interest and her duties in the public interest; influenced a public agency in derogation of the state at large; used her official position to give herself or a family member a financial gain; used her official position to secure or create privileges, exemptions, advantages, or treatment for herself or others in derogation of the public interest; failed to avoid all conduct which might in any way lead members of the general public to conclude that she was using her official position to further her professional or private interest; in order to further her own economic interests, or those of any other person, knowingly disclosed or used confidential information acquired in the course of her official duties; knowingly received, directly or indirectly, interest or profit arising from the use or loan of public funds in her hands or to be raised through any state agency; and knowingly accepted compensation, other than that provided by law for public servants, for performance of her official duties without the prior approval of the Commission.

Specifically, at some time between August 2013 and November 2013, Hadley used her position to gain access to funds belonging to Victim C, who was an adult under her supervision as part of her duties for the Department. Hadley misappropriated those funds for her own personal use and enjoyment and the use and enjoyment of others without the knowledge or approval of her Department, Victim C, or her family.

These facts constitute violations of KRS 11A.020(1)(a) and (b).

KRS 11A.020(1)(a), (b), (c), and (b) provide:

(1) No public servant, by himself or through others, shall knowingly:

- (a) Use or attempt to use his influence in any matter which involves a substantial conflict between his personal or private interest and his duties in the public interest;
- (b) Use or attempt to use any means to influence a public agency in derogation of the state at large;
- (c) Use his official position or office to obtain financial gain for himself or any members of the public servant's family; or
- (d) Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in derogation of the public interest at large.

KRS 11A.020(2) provides:

- (2) If a public servant appears before a state agency, he shall avoid all conduct which might in any way lead members of the general public to conclude that he is using his official position to further his professional or private interest.

KRS 11A.040(1),(2), and (5) provide:

- (1) A public servant, in order to further his own economic interests, or those of any other person, shall not knowingly disclose or use confidential information acquired in the course of his official duties.
- (2) A public servant shall not knowingly receive, directly or indirectly, any interest or profit arising from the use or loan of public funds in his hands or to be raised through any state agency.

- (5) A public servant shall not knowingly accept compensation, other than that provided by law for public servants, for performance of his official duties without the prior approval of the commission.

COUNT IV

Marla J. Hadley, during her course of employment as a Social Service Clinician II, Department for Aging and Independent Living, Salt River Guardianship Section, Cabinet for Health and Family Resources, used her influence in matters that involved a substantial conflict between her personal or private interest and her duties in the public interest; influenced a public agency in derogation of the state at large; used her official position to give herself or a family member a financial gain; used her official position to secure or create privileges, exemptions,

advantages, or treatment for herself or others in derogation of the public interest; failed to avoid all conduct which might in any way lead members of the general public to conclude that she was using her official position to further her professional or private interest; in order to further her own economic interests, or those of any other person, knowingly disclosed or used confidential information acquired in the course of her official duties; knowingly received, directly or indirectly, interest or profit arising from the use or loan of public funds in her hands or to be raised through any state agency; and knowingly accepted compensation, other than that provided by law for public servants, for performance of her official duties without the prior approval of the Commission.

Specifically, at some time between August 2013 and November 2013, Hadley used her position to gain access to funds belonging to Victim D, who was an adult under her supervision as part of her duties for the Department. Hadley misappropriated those funds for her own personal use and enjoyment and the use and enjoyment of others without the knowledge or approval of her Department, Victim D, or her family.

These facts constitute violations of KRS 11A.020(1)(a) and (b).

KRS 11A.020(1)(a), (b), (c), and (b) provide:

- (1) No public servant, by himself or through others, shall knowingly:
 - (a) Use or attempt to use his influence in any matter which involves a substantial conflict between his personal or private interest and his duties in the public interest;
 - (b) Use or attempt to use any means to influence a public agency in derogation of the state at large;
 - (c) Use his official position or office to obtain financial gain for himself or any members of the public servant's family;
or
 - (d) Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in derogation of the public interest at large.

KRS 11A.020(2) provides:

- (2) If a public servant appears before a state agency, he shall avoid all conduct which might in any way lead members of the general public to conclude that he is using his official position to further his professional or private interest.

KRS 11A.040(1),(2), and (5) provide:

- (1) A public servant, in order to further his own economic interests, or those of any other person, shall not knowingly disclose or use confidential information acquired in the course of his official duties.
- (2) A public servant shall not knowingly receive, directly or indirectly, any interest or profit arising from the use or loan of public funds in his hands or to be raised through any state agency.

- (5) A public servant shall not knowingly accept compensation, other than that provided by law for public servants, for performance of his official duties without the prior approval of the commission.

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