

STATE OF SOUTH CAROLINA)
 COUNTY OF RICHLAND)
)
 IN THE MATTER OF:)
)
 Complaint 2013-069)
)
 Phyllis Lollis,)
 Respondent.)
)
 State Ethics Commission,)
 Complainant.)
 _____)

BEFORE THE STATE ETHICS COMMISSION

DECISION AND ORDER

RECEIVED
 2014 MAR 19 AM 9:47
 STATE ETHICS COMMISSION

This matter comes before the State Ethics Commission by virtue of a complaint filed by the Commission on November 13, 2012. On March 20, 2013, pursuant to S.C. Code Ann. § 8-13-320(10)(i)(Supp. 2012), the State Ethics Commission reviewed the above-captioned complaint charging Respondent, Phyllis Lollis, with two violations of Section 8-13-700(A) and two violations of Section 8-13-700(B) and probable cause was found.

Present at the Hearing on January 15, 2014 were Commission Members Phillip Florence, Jr., Chair, George Carlton Manley, and Jonathan H. Burnett. Respondent was present and was represented by Kenneth E. Sowell. Complainant was represented by Cathy L. Hazelwood, General Counsel. The following charges were considered:

COUNT ONE
USE OF OFFICIAL OFFICE FOR GAIN
SECTION 8-13-700(A), S. C. CODE ANNOTATED, 1976, AS AMENDED

The Respondent, Phyllis Lollis, Williamston Town Administrator, did in Anderson County, in February 2012, unlawfully violate Section 8-13-700(A), by knowingly using her official employment as the town's administrator to obtain an economic interest for a family member, her son, by requesting an increase in pay from

forty (40) hours to forty-two (42) hours when her son attended the Criminal Justice Academy as a police trainee for Williamston.

COUNT TWO
PARTICIPATION IN A GOVERNMENTAL DECISION
SECTION 8-13-700(B), S.C. CODE ANN., 1976, AS AMENDED

The Respondent, Phyllis Lollis, Williamston Town Administrator, did in Anderson County, in February 2012, unlawfully violate Section 8-13-700(B), by using her office to obtain an economic interest for a family member when she influenced the town treasurer to increase Respondent's son's compensation from forty (40) hours to forty-two (42) hours when he attended the Criminal Justice Academy as a police trainee for Williamston.

COUNT THREE
USE OF OFFICIAL OFFICE FOR GAIN
SECTION 8-13-700(A), S. C. CODE ANNOTATED, 1976, AS AMENDED

The Respondent, Phyllis Lollis, Williamston Town Administrator, did in Anderson County, in July 2012, unlawfully violate Section 8-13-700(A), by knowingly using her official employment as the town's administrator to obtain an economic interest for a family member, her son, by requesting a one-time bonus of \$500.00 be paid to her son upon his completion of the Criminal Justice Academy as a police trainee for Williamston.

COUNT FOUR
PARTICIPATION IN A GOVERNMENTAL DECISION
SECTION 8-13-700(B), S.C. CODE ANN., 1976, AS AMENDED

The Respondent, Phyllis Lollis, Williamston Town Administrator, did in Anderson County, in July 2012, unlawfully violate Section 8-13-700(B), by using her office to obtain an economic interest for a family member when she influenced the

town's police chief to give Respondent's son a \$500.00 bonus upon his completion of the Criminal Justice Academy as a police trainee for Williamston.

STATEMENT OF FACTS

1. At the time of the complaint, the Respondent, Phyllis Lollis, was the Town Administrator of the Town of Williamston.

2. Jimmy Bagnall, State Ethics Commission Investigator, testified that he conducted the investigation. The initial allegations were based on a letter submitted to the Commission by James Grubbs, former employee of the Williamston Police Department. Investigator Bagnall testified that he interviewed Mr. Grubbs, Michelle Starnes, Bruce Peterson, Jesse Harris, Carthel Crout and Respondent. He investigated three allegations surrounding Respondent's son, Kenneth D. Lollis, employment with the Williamston Police Department: his starting salary, an increase in hours while attending the South Carolina Criminal Justice Academy (CJA) and a bonus paid upon completion of the CJA. The investigation determined that Respondent was not involved in determining her son's starting salary as a policeman. Probable cause was found on the remaining two issues: pay while attending the CJA and the payment of a bonus upon completion of the CJA.

3. Investigator Bagnall testified that he reviewed Williamston's payroll registers and determined that Kenneth Lollis was initially paid for 40 hours per week for attending the CJA and that figure change to 42 hours later and Respondent was paid back pay for the change from 40 to 42. Investigator Bagnall testified that Carthel Crout informed him that as mayor he assumed the hours were 42 for CJA attendees and if he had known about the bonus he would have approved it or a pay increase. He testified that Michelle Starnes, Williamston Town Treasurer, informed him that Respondent came to her and met with

her about her son's 40 to 42 hour issue when attending the CJA. She was instructed by Respondent to contact the town's labor attorney for advice.

4. James Grubbs testified that he was presently employed by the Anderson Police Department. Prior to that position, he had been employed by the Williamston Police Department in various positions, to include chief. Prior to his employment in Williamston, he had been employed by the Greenville Police Department for 28 years. His deposition of August 15, 2013 was entered into the record. Mr. Grubbs testified that upon being promoted to chief, Mr. Lollis was hired by the police department and he attended the CJA. The payroll hours per week were 40, not 42, officers attending the CJA. Only after being advised by Respondent to make the change, did Mr. Grubbs change the payroll reports to reflect a 42 hour week and not a 40 hour week. Mr. Grubbs testified that Respondent instructed him to pay Mr. Lollis a bonus for completing the CJA. Respondent advised that a \$1000.00 bonus would be appropriate; however, Mr. Grubbs determined that \$500.00 was an appropriate amount. Mr. Grubbs testified that he only paid the bonus because Respondent requested it. Mr. Grubbs was aware that previous CJA attendees had not received bonuses.

5. Bruce Peterson testified that he is the Williamston Assistant Town Treasurer and has been since 2006. Mr. Peterson testified that Respondent came to him and advised him that it was unlawful to pay her son 40 hours per week while attending the CJA, rather than the standard 42 hours per week, and that he needed to re-calculate the time difference and pay the difference in back pay. During his employment with Williamston, Mr. Peterson testified that he was not aware of any CJA attendee receiving 42 hours per week pay while attending the CJA.

6. Michelle Starnes testified that she is the Williamston Town Treasurer. She has been employed with the Town of Williamston since 2001. Her deposition of September 20, 2013 was entered into the record. Ms. Starnes testified that since she has been town treasurer all police officers attending the CJA received 40 hour per week pay, to include Mr. Lollis. Ms. Starnes testified that Respondent requested an increase from 40 hours to 42 hours for her son. Ms. Starnes testified that she was concerned about the change and Respondent advised her to contact the town's labor attorney. After speaking to the attorney Ms. Starnes determined that Mr. Lollis was not the only CJA attendee at issue, so changes were made to a second officer's pay. Ms. Starnes testified that she was informed by Chief Grubbs to pay Mr. Lollis a bonus of \$500.00. That was unusual in that it had not happened before and had not happened again.

7. Respondent testified that she had been the Williamston Town Administrator during the time of these allegations. Respondent testified that her son, Kenneth Lollis, was hired by Mayor Crout as a police officer and that she was not involved in that decision. Respondent testified that she had been approached by Captain Russell from the police department about her son's pay while attending the CJA. She testified that she told him she needed to stay out of it, but she would see what she could find out. She testified that she did go to Ms. Starnes to ask what the number of hours were for an office attending the CJA. Ms. Starnes stated it was 40 hours and had been. Respondent testified that she told Ms. Starnes she thought that was wrong and Ms. Starnes contact the town labor attorney for his opinion and do whatever he said. Respondent initiated a conversation with Bruce Peterson about calculating the difference in pay and back pay for her son from 40 to 42 hours per week. The conversation with Mr. Peterson occurred

prior to Respondent knowing what the town labor attorney would advise and prior to speaking to Mayor Crout about the matter. Respondent testified that she needed to know what the results of those conversations were so she could take the information to Mayor Crout, although she also testified that Mayor Crout instructed her to take those actions. Respondent categorically denied having any discussion with Mr. Grubbs about paying her son a bonus upon completion of the CJA.

8. Mack Durham's deposition of August 15, 2013 was entered into the record. He is the current Mayor of Williamston.

9. Carthel Crout's deposition of September 20, 2013 was entered into the record. He is the former Mayor of Williamston.

10. Jesse Harris's deposition of September 20, 2013 was entered into the record. He was a Williamston police officer.

11. Rocky Burgess's deposition of December 17, 2013 was entered into the record. He is a current Williamston Town Council Member.

CONCLUSIONS OF LAW

Based upon the foregoing Statement of Facts, the Commission concludes, as a matter of law:

1. During all times relevant, the Respondent, Phyllis Lollis, was a public employee, as defined by S.C. Code Ann. § 8-13-100(25)(Supp. 2012).
2. The State Ethics Commission has personal and subject matter jurisdiction.
3. Section 8-13-700(A) prohibits a public employee from knowingly using his official employment to obtain any economic interest for a family member.
4. Section 8-13-700(B) prohibits a public employee may use his employment to

influence a government decision in which a family member has an economic interest.

DISPOSITION

NOW, THEREFORE, based on the foregoing Findings of Fact and Conclusions of Law, the State Ethics Commission has determined based upon a preponderance of evidence that Respondent Phyllis Lollis is in violation of one count of Section 8-13-700(B) of the Ethics Reform Act for authorizing the increase in the compensation to her son from 40 to 42 hours per week while attending the Criminal Justice Academy

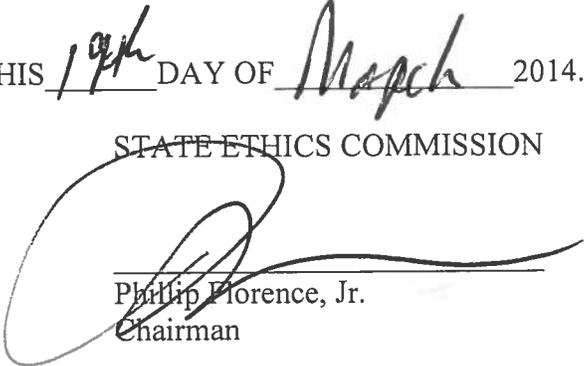
THEREFORE, the State Ethics Commission hereby issues a public reprimand to Phyllis Lollis for her violation of Section 8-13-700(B) of the Ethics Reform Act,

AND, orders Respondent to pay a fine of \$1000.00 to the State Ethics Commission within 30 days of receipt of the signed order,

AND, orders Respondent to pay an administrative fee of \$1000.00 within 30 days of receipt of the signed order,

AND IT IS SO ORDERED THIS 19th DAY OF March 2014.

STATE ETHICS COMMISSION



Phillip Florence, Jr.
Chairman

COLUMBIA, SOUTH CAROLINA