

**BEFORE THE CITY OF ATLANTA
BOARD OF ETHICS**

In the Matter of:

Levi, Ray & Shoup

Respondent

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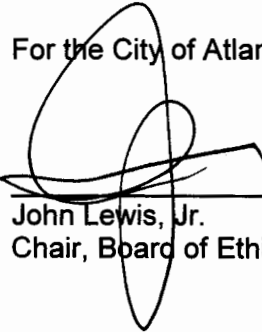
Case No. CO-08-002

DECISION AND ORDER

Having considered the settlement agreement in this case at its meeting on July 17, 2008,
the City of Atlanta Board of Ethics approves the agreement.

So ordered this 17th day of July, 2008.

For the City of Atlanta Board of Ethics



John Lewis, Jr.
Chair, Board of Ethics

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SETTLEMENT AGREEMENT

This settlement agreement is made between Ginny Looney, the Ethics Officer of the City of Atlanta, and Levi, Ray & Shoup, Inc., a city contractor charged with violating the Code of Ethics.

The parties agree to the following terms to resolve this matter prior to a probable cause determination by the City of Atlanta Board of Ethics. The Board of Ethics is responsible for administering, implementing, and enforcing the Standards of Conduct contained in the Atlanta Municipal Code.

FINDINGS OF FACT

1. Levi, Ray, & Shoup, Inc., is an Illinois corporation that provides software, other products, and consulting services in information technology. Allen E. Miller was the Atlanta regional sales manager for the company's IT Solutions group that provides third party servers, storage, and software, and Wendy Wang was the account manager for the City of Atlanta in 2007.
2. The City of Atlanta purchased servers and related services for \$113,588.85 from Levi, Ray & Shoup in September 2007 and purchased servers and related services from Levi, Ray & Shoup for \$12,388.00 in October 2007.
3. At that time, Anthony James was the director of enterprise applications and Stacy Goree was the enterprise and network server manager for the City of Atlanta Department of Information Technology. Brian Dennis was a contract employee.
4. Levi, Ray & Shoup flew James, Goree, and Dennis on its corporate jet to Las Vegas, Nevada, for a three-hour product briefing on Friday, October 26, 2007. The company paid for a car rental, two nights of lodging, meals, hospitality, golf, and car race tickets.
5. Between August 2007 and November 2007, Miller and Wang provided other gifts of meals, golf, and football tickets to city employees.
6. The total amount of expenses that Levi, Ray & Shoup paid for travel, lodging, meals, and entertainment for city employees in the Department of Information Technology from August 17, 2007, to November 14, 2007, was \$8,398.01.

7. Levi, Ray & Shoup voluntarily disclosed its employees' violations to the City of Atlanta Department of Law on November 30, 2007.
8. The company terminated Miller and Wang, the two employees who had given gratuities to city employees, and demoted the director of their company group, IT Solutions.
9. The company voluntarily withdrew from the procurement process for two city projects on December 11, 2007, and has not pursued any other business opportunities with the City.
10. The company has adopted new policies and procedures to prevent similar violations in the future. The company:
 - a. Revised its corporate anti-corruption policy, including the provisions on entertainment expenditures for customers
 - b. Adopted a new procedure requiring advance written approval before company employees provide hospitality and gifts to government employees
 - c. Created a new online approval process that requires two level of management approval to provide hospitality to government employees
 - d. Revised its jet approval process to generally prohibit use of the corporate jet to transport government employees
 - e. Trained all sales staff and managers on the new policies and procedures
 - f. Provided written notice of the new policies and procedures to all company employees
11. Levi, Ray & Shoup gave the City of Atlanta its first notice of the improper gifts and has fully cooperated with the investigations by the City of Atlanta Department of Law and Ethics Office. The company's self-disclosure and internal investigation contributed to the city's dismissal of its two employees and termination of the contract employee.

CONCLUSIONS OF LAW

12. Section 2-817 prohibits any person, business, or other entity from giving any city official or employee a gratuity, which is defined as "anything of value given by or received from a prohibited source." See section 2-801.
13. Levi, Ray & Shoup and its employees are prohibited sources subject to the Code of Ethics, found in sections 2-801 to 2-824 in the City of Atlanta's Code of Ordinances.
14. Anthony James, Stacy Goree, and Brian Dennis were employees under the Code of Ethics at the time they received things of value from the company's employees. See section 2-801. James and Goree were full-time salaried employees in the Department of Information Technology until their termination on December 18, 2007. Dennis was an independent contractor retained by the City for eight months until his contract was terminated on March 28, 2008.
15. Levi, Ray & Shoup's employees violated the prohibition against gratuities when they gave gifts of travel, lodging, meals, and entertainment to James, Goree, and

Dennis in Atlanta and Las Vegas.

16. There are several mitigating factors that affect the penalty in this case. Levi, Ray & Shoup self-reported its violation to the City, withdrew from pursuing business opportunities with the City, terminated the two employees who provided the improper gifts and demoted a third employee, and changed its policies and procedures on providing hospitality to government employees.

AGREEMENT

17. Levi, Ray & Shoup acknowledges that its employees violated the city's ethical standards when they provided gratuities to city employees and a city contractor.
18. The company apologizes to the City of Atlanta.
19. It agrees to disgorge itself of the full value of the gratuities transferred to the city employees in breach of the Code of Ethics by paying \$8,398.01 into the City of Atlanta General Fund. It further agrees to assist in any enforcement action brought against city employees for receiving the gratuities and comply with the Code of Ethics and city policies on gratuities and gifts.
20. Because the company self-reported its violation to the City, voluntarily suspended all efforts to seek city contracts, took immediate remedial action in disciplining its employees, and strengthened its anti-corruption policies to prevent future violations, the Ethics Officer agrees to seek no further punitive actions in this matter.
21. The Ethics Officer commends the company for its initiative, forthrightness, and meaningful, voluntary actions to correct its violations of the Code of Ethics.
22. The parties agree that Levi, Ray & Shoup may resume seeking to do business with the City of Atlanta as soon as the Board approves this agreement.
23. The parties agree to enter into this settlement agreement to resolve all factual and legal issues in this matter and to reach a final disposition without the necessity of an evidentiary hearing before the Board to determine Respondent's liability.
24. The Respondent understands and voluntarily waives all procedural rights under the Code of Ordinances, including the determination of probable cause and the right to personally appear before the Board, subpoena witnesses to testify, confront and cross-examine all witnesses, and have the Board hear the matter at any enforcement hearing.
25. The Respondent acknowledges that this agreement is not binding on any other law enforcement or governmental agency and does not preclude the Board from cooperating with or assisting any other law enforcement or government agency on this or any other related matter.
26. The Ethics Officer will submit this settlement agreement for consideration by the Board of Ethics at its next regularly scheduled meeting, and the Board must enter

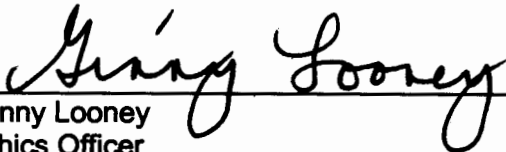
an order approving the agreement before it becomes the final decision and order in the case.

27. The parties agree that this agreement shall become null and void in the event that the Board refuses to accept it. The Respondent further agrees that no member of the Board of Ethics or its staff shall be disqualified from participating in any hearing before the Board because of prior consideration of this settlement agreement.

Levi, Ray & Shoup, Inc.
Respondent

By 
Greg Collins
General Counsel and Senior Vice President

6/27/08
Date


Ginny Looney
Ethics Officer

July 9, 2009
Date