

**BEFORE THE MINNESOTA
BOARD OF PSYCHOLOGY**

In the Matter of
William Duffy, Ph.D, L.P.
License No. LP0134

**STIPULATION AND
CONSENT ORDER**

IT IS HEREBY STIPULATED AND AGREED by William Duffy, Ph.D., L.P. (Licensee), and the Minnesota Board of Psychology (Board) as follows:

1. During all times herein, Licensee has been and now is subject to the jurisdiction of the Board from which he holds a license to practice psychology in the State of Minnesota.

FACTS

2. For the purpose of this stipulation, the Board may consider the following facts as true:

a. From 1975 until approximately December 2003, Licensee was the Executive Director of the [redacted] ("the center"). In addition to his responsibilities of managing the daily operations of the center, Licensee occasionally provided supervision to individual supervisees for purposes of fulfilling psychology licensure requirements.

b. From approximately November 2001 to December 2002, Licensee was supervisee #1's supervisor for purposes of meeting her requirements for licensure. Licensee's supervision of her post-doctoral training included face-to-face supervision sessions twice weekly for one hour each session.

c. From early January 2002 to mid-July 2002, Licensee was supervisee #2's supervisor for purposes of meeting her requirements for licensure. Licensee's supervision of her

post-doctoral training included face-to-face supervision sessions twice weekly for one hour each session.

d. Licensee engaged in unprofessional conduct and in verbal or physical behavior which was sexually seductive or sexually demeaning to supervisee #1 as demonstrated by at least the following:

1) Licensee made comments to other center employees about supervisee #1's clothing, legs, and backside. On one occasion, Licensee made the following comment about supervisee #1 to another female employee at the clinic: "I would just love to put my hand on her ass."

2) Licensee told sexual jokes to supervisee #1.

3) During supervision meetings, Licensee made inappropriate comments to supervisee #1 and steered the subject away from work-related subjects to his own personal concerns. For example, Licensee told supervisee #1 about his problems with his wife and how lonely he was. Licensee once showed supervisee #1 an astrology consultation report that showed he had signs of "cosmic loneliness." On several occasions, Licensee flirted with supervisee #1 and commented on her clothing. Further, Licensee told supervisee #1 she was attractive and intelligent, he wanted to go out with her, he would marry her, and that he was helpless for blondes. Licensee also questioned supervisee #1 about her boyfriends.

4) On one occasion, Licensee told supervisee #1 the man she was dating did not pay enough attention to her, but he (Licensee) would pay enough attention to her. Licensee told supervisee #1 he would frequently service her sexually, would want to see her every day, and they would be together all the time.

5) On another occasion when Licensee asked supervisee #1 about her boyfriend, supervisee #1 told Licensee her boyfriend did not seem to be as serious as she was and that she wanted to get married but did not know if her boyfriend wanted to get married. Licensee responded by saying, "I would marry you."

6) Licensee once told supervisee #1 they could have a secret relationship, and only the two of them had to know about it.

7) During the fall of 2001, supervisee #1 told Licensee she could not date him because he was her employer and supervisor. Licensee responded with a chuckle and said, "I could fire you."

8) When supervisee #1 told Licensee she was afraid that turning down his requests would result in career problems, Licensee told her he would never retaliate. However, Licensee stated it is impossible to separate feelings of personal liking for someone when making a decision about promoting that person.

9) Licensee, his sister, supervisee #1, and other staff from the center had dinner together after an awards ceremony. Although he had no plans to spend the night in Brainerd, Licensee commented to the group during dinner that he, his sister, and supervisee #1 were going to share a room and they could use their imaginations as to how the beds would be divided up.

10) When they returned to the Twin Cities after the trip to Brainerd, Licensee kissed supervisee #1's hand upon his departure.

11) During the Board's investigation of this matter, Licensee generally denied engaging in the above conduct with supervisee #1. However, Licensee admits he commented on supervisee #1's clothing, admits he may have said that supervisee #1 "looked

good coming and going . . . that's how you judge a dog," admits telling her he was lonely and getting divorced, and admits asking supervisee #1 about her boyfriends. Licensee told the investigator supervisee #1 filed a lawsuit against him and the center related to the above-alleged conduct, and it is his belief that supervisee #1's motive in doing so is monetary.

e. Licensee admitted that he engaged in a sexual relationship with supervisee #2 during the time he was her supervisor for her post-doctoral work experience. When interviewed on February 5, 2004, during the Board's investigation of this matter, Licensee stated he and supervisee #2 began a personal relationship in mid-February 2002 that "continues to this day." Licensee further stated, "We're committed to one another. We fell in love."

f. Licensee admits he "technically" violated Board rules by having an intimate relationship with supervisee #2, but he attempted to maintain the "spirit" of the rules. Licensee asserts his personal relationship with supervisee #2 did not affect his judgment and objectivity in his supervisor/supervisee relationship with her. Licensee stated, "There is no accounting for falling in love."

g. In the fall of 2002, the center's human resources director received complaints that Licensee had engaged in sexual harassment in the workplace. The center hired an outside attorney to conduct an investigation into the matter. The attorney's investigative findings of November 22, 2002, included recommendations that Licensee attend sexual harassment training and individual counseling.

REGULATIONS

3. The Board views Licensee's practices as described in paragraph 2 above to be in violation of statutes and rules enforced by the Board. Licensee agrees that the conduct cited

above constitutes violations of the following and constitutes a reasonable basis in law and fact to justify the disciplinary action provided for in the order:

a. Violated a statute, rule, or order that the Board issued or is empowered to enforce, pursuant to Minn. Stat. § 148.941, subd. 2(a)(1) (2002);

b. Engaged in unprofessional conduct or any other conduct which has the potential for causing harm to the public, including any departure from or failure to conform to the minimum standards of acceptable and prevailing practice, without actual injury having to be established, in violation of Minn. Stat. § 148.941, subd. 2(a)(3) (2002), and Minn. R. 7200.5700;

c. Violated the rules of conduct/code of ethics adopted by the Board, in violation of Minn. Stat. § 148.98 and Minn. R. 7200.4500;

d. Exploited the professional relationship with a supervisee for the psychologist's emotional, financial, sexual, or personal advantage or benefit, in violation of Minn. R. 7200.4900, subp. 7a.;

e. Engaged in sexual intercourse or other physical intimacies with a supervisee and engaged in verbal or physical behavior which was sexually seductive or sexually demeaning to a supervisee, in violation of Minn. R. 7200.4900, subp. 8; and

f. Failed to protect the welfare of psychology students, supervisees, and research subjects or to accord them client rights listed in parts 7200.4700 and 7200.4900, including those listed above, in violation of Minn. R. 7200.5400.

REMEDY

4. Upon this stipulation and without any further notice or proceedings, Licensee's license is **SUSPENDED INDEFINITELY** effective immediately. During the period of suspension, Licensee shall not engage in the practice of psychology in Minnesota. Licensee shall

immediately cease to advertise or otherwise represent himself in any manner to be a licensee in this state. During the period of suspension, and prior to petitioning for a stay of the suspension of his license pursuant to paragraph 5, Licensee shall comply with requirements 4.a. through 4.f. below:

a. ***Psychological Evaluation.*** Licensee shall obtain a psychological evaluation no earlier than within three months of the date he petitions for a stay of the suspension of his license to practice psychology in Minnesota. The evaluation shall be performed by a licensee of the Board who has been approved in advance by the Complaint Resolution Committee (Committee). Licensee is responsible for the cost of the evaluation; however, the results of the evaluation shall be sent directly to the Board office and shall meet the following requirements:

- 1) Verification the evaluator has received a copy of this Stipulation and Consent Order and the information submitted by the Board;
- 2) A summary of the results of the evaluation and recommendations for treatment if necessary;
- 3) The evaluator's assessment as to Licensee's ability to engage in the practice of psychology in an ethical manner; and
- 4) Any other information the evaluator believes would assist the Board in its ultimate review of this matter.

b. ***Boundaries Course.*** Licensee shall arrange to enroll in an individualized professional boundaries training course. The Committee will provide Licensee with a list of such courses, which have been approved, for the purposes of satisfying this requirement. If the Committee and Licensee concur that there is sufficient reason for Licensee not to enroll in any of

the courses the Committee has listed, Licensee shall submit to the Committee for approval a syllabus that includes goals, objectives, assignments, projects, methods, and frequency of evaluation, etc., for a similar individualized professional boundaries training course. Licensee shall also submit the course instructor's vitae to the Committee for its approval of the instructor. The instructor shall be either a licensed psychologist or have a doctoral degree in psychology. Licensee shall complete the course prior to petitioning for a stay of the suspension of his license. All fees for the course shall be paid by Licensee. Successful completion of the boundaries course shall be determined by the Committee.

c. ***Report on Boundaries Course From Licensee.*** Within 30 days of completing the professional boundaries course referenced above, Licensee shall submit a report to the Committee which provides and addresses:

- 1) The dates Licensee began and completed the boundaries training course;
- 2) A brief statement of the topics covered in the professional boundaries training course;
- 3) A detailed discussion of what Licensee has learned from the boundaries training course, including Licensee's comprehension and knowledge of boundary issues, as well as various ethical issues encountered in practice, and how this course will affect his practice in the future;
- 4) A detailed discussion of each boundary violation that occurred regarding the circumstances described in the Facts section of this Stipulation and Consent Order, including (a) how Licensee came to violate these boundaries; (b) the manner in which Licensee violated these boundaries; (c) the specific harm to specific individuals that resulted or could have

resulted from the boundary violations; and (d) how Licensee now believes the boundary violations could have been averted;

5) A detailed discussion of the specific ways this course will affect Licensee's practice in the future;

6) Licensee's reasons for believing he is capable of conducting himself in a fit, competent, and ethical manner in the practice of psychology; and

7) Any other information Licensee believes would assist the Board in its ultimate review of this matter.

d. **Report on Boundaries Course From Instructor.** Within 60 days of completing the professional boundaries course referenced above, Licensee shall cause to be submitted to the Committee a report from the instructor of the professional boundaries course. This report shall address:

1) The extent of Licensee's participation in the course; and
2) The instructor's assessment of Licensee's knowledge obtained from the course and opinion as to Licensee's recognition of boundary issues and Licensee's ethical fitness to engage in the practice of psychology.

e. **Professional Responsibility Examination.** Licensee shall take the examination described in Minn. R. 7200.3000, subp. 1.B., and retake the examination, if necessary, until obtaining a score of 50 out of 60 correct answers.

f. **Graduate-Level Course Work.** Licensee shall complete a graduate-level course on professional issues and ethics. Licensee shall obtain approval from the Committee before commencing the courses. The course must be listed as part of a graduate program and must be at least three semester credits or the equivalent. Audited courses will not be accepted for

purposes of satisfying the terms of this stipulation. Licensee shall send directly to the Board office an official transcript documenting for the Committee that Licensee received a passing grade in the course. Within 45 days of completing the course, and prior to petitioning for a stay of the suspension of his license to practice psychology in Minnesota, Licensee shall submit to the Committee a written analysis of how the course information will impact his practice. Licensee may apply the credits from the course to his continuing education requirement for licensure renewal as set forth in Minn. R. 7200.3820 (2001).

5. ***Stay of Suspension.*** No sooner than 12 months from the date this Stipulation and Consent Order is adopted by the Board, and after successful completion of requirements 4.a. through 4.f above, Licensee may petition the Committee to have the suspension stayed, allowing him to return to practice. The Committee may, by its own written order, impose the stay of suspension. After the stay is imposed, in addition to complying with all other terms of this Stipulation and Consent Order, Licensee shall comply with the following requirements:

a. ***Supervision of Licensee by Board-Approved Psychologist.*** Following the stay of the suspension of Licensee's license, Licensee shall provide supervision only under the supervision of a supervising psychologist approved in advance by the Committee from a list of at least three names Licensee has submitted to the Committee. Licensee shall cause each psychologist listed to submit a current vitae to the Board for the Committee's review prior to its approval of a supervisor. The Committee reserves the right to reject all names submitted by Licensee. If the Committee rejects any names submitted, the Committee may require that Licensee submit additional names as described above, or the Committee may provide Licensee with the name of a supervisor. Licensee shall have no previous personal or professional relationship with the supervisor. Licensee shall obtain a supervising psychologist prior to

petitioning for a stay of the suspension of his license. Licensee shall meet with the supervising psychologist no less than two hours per month for a period of 12 months. The purpose of the meetings is to review Licensee's boundaries with supervisees.

b. ***Supervisor's Reports.*** The supervising psychologist shall provide a report to the Committee every three months and at the time Licensee petitions to have the conditions removed from his license. The first report is due three months from the date supervision begins, and all subsequent reports shall be submitted on the first day of the month in which they are due. Each report shall provide and/or address:

- 1) In the first report, evidence Licensee's supervisor has received and reviewed a copy of this Stipulation and Consent Order;
- 2) Dates on which supervision took place with Licensee;
- 3) Method by which supervision was conducted;
- 4) A statement that all cases have been reviewed, a description of any problems discovered in the review, and the resolution of the problems;
- 5) The supervisor's opinion as to Licensee's ability to provide competent services; and
- 6) Any other information the supervisor believes would assist the Board in its ultimate review of this matter.

At the time Licensee petitions for removal of the above-referenced conditions, the supervisor's report shall include an assessment to determine if Licensee exhibits an acceptable comprehension and knowledge of ethical issues encountered in practice as well as the ability to apply this knowledge.

c. **Civil Penalty.** Licensee shall pay a civil penalty to the Board in the amount of five thousand nine hundred (\$5900.00) dollars for engaging in the conduct and violations described in paragraphs 2 and 3 above and to allow the Board to partially recover costs incurred in investigating the matter. Payment of \$5900.00 shall be remitted in full to the Minnesota Board of Psychology at Suite 320, 2829 University Avenue SE, Minneapolis, Minnesota 55414. Payment must be received by the Board before it will consider Licensee's petition for unconditional licensure.

6. **Fine for Violation of Order.** If any due date required by this Stipulation and Consent Order is not met, the Committee may fine Licensee \$100 per violation. Licensee shall pay the fine and correct the violation within five days after service on Licensee of a demand for payment and correction. If Licensee fails to do so, the Committee may impose additional fines not to exceed \$500 per violation. The total of all fines may not exceed \$5,000. Licensee waives the right to seek review of the imposition of these fines under the Administrative Procedure Act, by *writ of certiorari* under Minn. Stat. § 480A.06, by application to the Board, or otherwise. Neither the imposition of fines nor correction of the violation will deprive the Board of the right to impose additional discipline based on the violation.

7. **Costs.** Licensee is responsible for all costs incurred as a result of compliance with this Stipulation and Consent Order.

8. **Applicability to Renewal Requirements.** No condition imposed as a remedy by this Stipulation and Consent Order, including conditions directly related to a restriction, shall be used as a continuing education activity for the purpose of renewal of Licensee's license to practice psychology, unless it is specifically stated in this Stipulation and Consent Order that the condition may be used for this purpose.

9. All reports shall cover the entire reporting period and provide the bases upon which conclusions were drawn.

10. The Board or its authorized representatives shall have the right to discuss Licensee's condition with and obtain records from any person with whom Licensee has contact as a result of his compliance with this Stipulation and Consent Order or as a result of his being examined or his obtaining treatment, counseling, or other assistance on his own initiative or otherwise. Licensee shall execute releases and provide any health record or other waivers necessary for submission of the reports referenced in the stipulation, to enable the Board to obtain the information it desires, and to authorize the testimony of those contacted by the Board in any proceeding related to this matter.

11. **Releases.** Licensee shall execute releases allowing the Board to exchange data related to this Stipulation and Consent Order with Licensee's evaluator and any other professional Licensee contacts in order to comply with this Order.

12. After two years, and upon completion of all terms, provisions, and conditions of this Stipulation and Consent Order, Licensee may petition the Board to remove the suspension on his license. The Board may, at any regularly scheduled meeting at which Licensee has made a timely petition, take any of the following actions:

- a. Remove the suspension attached to the license of Licensee;
- b. Amend the suspension attached to the license of Licensee;
- c. Continue the suspension attached to the license of Licensee upon his failure to meet his burden of proof; or
- d. Impose conditions and/or restrictions on the license of Licensee.

13. In the event Licensee resides or practices outside the State of Minnesota, Licensee shall promptly notify the Board in writing of the location of his residence and all work sites. Practice outside of Minnesota will not be credited toward any period of Licensee's suspended, limited, conditioned or restricted license in Minnesota unless Licensee demonstrates to the satisfaction of the Board that the practice in another jurisdiction conforms completely with Licensee's Minnesota licensure requirements to practice psychology.

CONSEQUENCES FOR NONCOMPLIANCE OR ADDITIONAL VIOLATIONS

14. It is Licensee's responsibility to ensure all reports and documentation required to be filed with the Board pursuant to this Stipulation and Consent Order are timely filed by those preparing the report or documentation. Failure to file reports and documentation on or before their due date is a violation of this Stipulation and Consent Order.

Noncompliance With Requirements for Stay of Suspension

15. If the Committee has probable cause to believe Licensee has failed to file timely reports or otherwise failed to comply with any of the requirements for staying the suspension of his license as set forth in paragraphs 4 and 5 above, the Committee may remove the stay of suspension pursuant to the procedures outlined in paragraph 16 below, with the following additions and exceptions:

a. The removal of the stay of suspension shall take effect upon service of an Order of Removal of Stay of Suspension (Order of Removal). Licensee agrees that the Committee is authorized to issue an Order of Removal, which shall remain in effect and shall have the full force and effect of an order of the Board until the Board makes a final determination pursuant to the procedures outlined in paragraph 16 below. The Order of Removal shall confirm the Committee has probable cause to believe Licensee has violated one or more of

the requirements for staying the suspension of Licensee's license. Licensee further agrees an Order of Removal issued pursuant to this paragraph shall be deemed a public document under the Minnesota Government Data Practices Act. Licensee waives any right to a hearing before removal of the stay of suspension.

b. The Committee shall schedule the hearing pursuant to paragraph 16 below to be held within 30 days of the date of service of the Order of Removal.

16. If Licensee shall fail, neglect, or refuse to fully comply with each of the terms, provisions, and conditions herein, the Committee shall schedule a hearing before the Board. The Committee shall mail Licensee a notice of the violation alleged by the Committee and of the time and place of the hearing. Licensee shall submit a response to the allegations at least three days prior to the hearing. If Licensee does not submit a timely response to the Board, the allegations may be deemed admitted.

At the hearing before the Board, the Committee and Licensee may submit affidavits made on personal knowledge and argument based on the record in support of their positions. The evidentiary record before the Board shall be limited to such affidavits and this Stipulation and Consent Order. Licensee waives a hearing before an administrative law judge and waives discovery, cross-examination of adverse witnesses, and other procedures governing administrative hearings or civil trials.

At the hearing, the Board will determine whether to impose additional disciplinary action, including additional conditions or limitations on Licensee's practice, or suspension or revocation of Licensee's license.

17. This stipulation shall not in any way limit or affect the authority of the Board to temporarily suspend Licensee's license under Minn. Stat. § 148.941, subd. 3, or to initiate

contested case proceedings against Licensee on the basis of any act, conduct, or omission of Licensee justifying disciplinary action occurring before or after the date of this Stipulation and Consent Order which is not related to the facts, circumstances or requirements referenced herein.

18. In the event the Board at its discretion does not approve this settlement or a lesser remedy than indicated in this settlement, then, and in that event, this stipulation is withdrawn and shall be of no evidentiary value and shall not be relied upon nor introduced by either party to this stipulation, except that Licensee agrees that should the Board reject this stipulation and this case proceeds to hearing, Licensee will assert no claim that the Board was prejudiced by its review and discussion of this stipulation or of any records relating to this matter.

19. Any appropriate court may, upon application of the Board, enter its decree enforcing the order of the Board.

20. Licensee has been advised by Board representatives that he may choose to be represented by legal counsel in this matter. Licensee is represented by Gary A. Debele.

21. Licensee waives all formal hearings on this matter and all other procedures before the Board to which Licensee may be entitled under the Minnesota or United States constitutions, statutes, or rules and agrees that the order to be entered pursuant to the stipulation shall be the final order herein.

22. Licensee hereby knowingly and voluntarily waives any and all claims against the Board, the Minnesota Attorney General, the State of Minnesota and their agents, employees and representatives which may otherwise be available to Licensee under the Americans With Disabilities Act or the Minnesota Human Rights Act relative to the action taken or authorized against Licensee's license to practice psychology under this stipulation.

23. Licensee hereby acknowledges that he has read, understands, and agrees to this stipulation and has freely and voluntarily signed the stipulation without threat or promise by the Board or any of its members, employees, or agents. When signing the stipulation, Licensee acknowledges he is fully aware the stipulation is not binding unless and until it is approved by the Board. The Board may either approve the Stipulation and Consent Order as proposed, approve the Stipulation and Consent Order subject to specified change, or reject it. If the changes are acceptable to Licensee, the stipulation will then take effect and the order as modified will be issued. If the changes are unacceptable to Licensee or the Board rejects the stipulation, it will be of no effect except as specified herein.

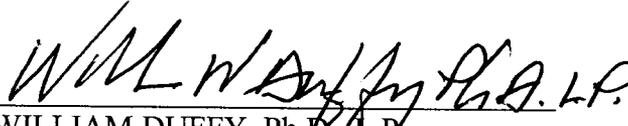
24. This Stipulation and Consent Order constitutes a disciplinary action against Licensee.

25. This Stipulation and Consent Order is a public document and will be sent to all appropriate data banks.

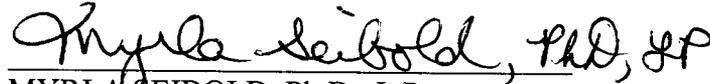
26. This stipulation contains the entire agreement between the parties there being no other agreement of any kind, verbal or otherwise, which varies this stipulation.

BOARD OF PSYCHOLOGY

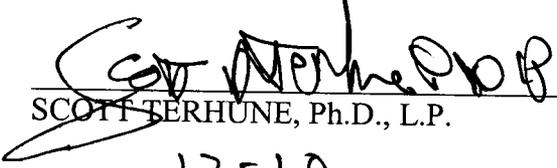
COMPLAINT RESOLUTION
COMMITTEE


WILLIAM DUFFY, Ph.D., L.P.
Licensee

Dated: 30 October, 2004


MYRLA SEIBOLD, Ph.D., L.P.

Dated: December 10, 2004


SCOTT TERHUNE, Ph.D., L.P.

Dated: 12-10, 2004


TED THOMPSON, M.ed., L.P.

Dated: 12-10, 2004

ORDER

Upon consideration of this stipulation and all the files, records, and proceedings herein,
IT IS HEREBY ORDERED that the license of Licensee is placed in a **SUSPENDED**
status and that all other terms of this stipulation are adopted and implemented by the Board this
10th day of Dec, 2004.

MINNESOTA BOARD
OF PSYCHOLOGY


PAULINE WALKER-SINGLETON
Executive Director

AG: #1235960-v1