



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908
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Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

October 14, 2019

Delivered electronically to Joanna Starratt, Treasurer at "Joanna.starratt@gmail.com"

Subject: Complaint filed by Glen Morgan, PDC Case 54840

Dear Ms. Starratt:

Below is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted in the letter to Mr. Morgan, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(d), this letter serves as a warning letter concerning WANA PAC's failure to comply with the statutory restrictions on the receipt of funds from unidentified sources and the importance of the accurate disclosure of all contribution received, specifically anonymous funds or funds that are not itemized including, small contributions of \$25 or less and proceeds from low-cost fundraisers. Staff expects the committee to track all small donations in a manner that will ensure accurate and timely disclosure for all future required reports of contributions and expenditures. The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by email at pdc@pdc.wa.gov.

Sincerely,

/s _____
Jennifer Hansen
Compliance Officer

Endorsed by,

/s _____
Peter Lavallee
Executive Director



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October 14, 2019

Delivered electronically to Glen Morgan at “glen@wethegoverned.com”

Subject: Complaint regarding Washington Association of Nurse Anesthetists PAC, PDC Case 54840

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on July 17, 2019. Your complaint alleged that Washington Association of Nurse Anesthetists PAC (“WANA PAC” or “Respondent”), a Continuing Political Committee, may have violated RCW 42.17A.220(4) for accepting over limit anonymous contributions during calendar year 2016, 2017, 2018 and 2019.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the response(s) provided by Joanna Starratt, Treasurer; the applicable PDC reports filed by Respondent; and queried the Respondent’s data in the PDC contribution and expenditure database, to determine whether the record supports a finding of one or more violations.

Based on staff’s review, we found the following:

- WANA PAC was registered as a Continuing Political Committee under the “Full Reporting” option for calendar years 2016, 2017, 2018 and 2019.
- RCW 42.17A.220(4) states in part that “accumulated unidentified contributions ..., in excess of one percent of the total accumulated contributions received in the current calendar year, or three hundred dollars, whichever is more, may not be deposited, used, or expended, but shall be returned to the donor if his or her identity can be ascertained. If the donor cannot be ascertained, the contribution shall escheat to the state and shall be paid to the state treasurer for deposit in the state general fund.”
- On its website, PDC guidance outlines the amount of anonymous contributions a committee may accept in a calendar year.
- In her response, Ms. Starratt stated that WANA PAC is a small organization with limited membership that does not employ a CPA or bookkeeper. She stated that all committee business is done by the committee chair on a volunteer basis and that during 2019, she is chairing the committee without assistance. Ms. Starratt stated that WANA PAC mistakenly disclosed funds as anonymous rather than as proceeds from various low-cost fundraisers on several occasions from 2016 to 2019 and confirmed that the committee has now corrected its reports to accurately disclose the funds.

Calendar Year 2016

- The complaint alleged that in calendar year 2016, WANA PAC accepted anonymous contributions in the amount of \$530, which was \$230 more than the allowable limit of \$300.
- On September 30, 2019, WANA PAC submitted a C-3 report disclosing receipt of \$100 in anonymous funds. The committee corrected its reports to accurately disclose the \$100 as proceeds from a qualifying low-cost fundraiser on an amended C-3 report electronically submitted on October 9, 2019.
- Since the committee was not able to identify the source of the \$430 received on May 31, 2016, WANA PAC recategorized \$130 dollars as a miscellaneous receipt with a description identifying these funds as over limit anonymous and submitted an amended C-3 report electronically on October 4, 2019.
- On October 9, 2019, the committee disclosed an expenditure escheating the \$130 over limit anonymous funds to the Washington State Treasurer's Office as required by RCW 42.17A.220(4).
- The committee also submitted additional amended C-3 reports to reflect the change in the anonymous contribution aggregate total appearing on Line 1a of each C-3 report filed after the date of the first reported anonymous receipt.

Calendar Year 2017

- The complaint alleged that in calendar year 2017, WANA PAC accepted anonymous contributions in the amount of \$450, which was \$150 more than the allowable limit of \$300.
- WANA PAC corrected its reports to accurately disclose the entire \$450 dollars as proceeds from a qualifying low-cost fundraiser on an amended C-3 report electronically submitted on October 4, 2019.
- The committee also submitted additional amended C-3 reports to reflect the change in the anonymous contribution aggregate total appearing on Line 1a of each C-3 report filed after the date of the first reported anonymous receipt.

Calendar Year 2018

- The complaint alleged that in calendar year 2018, WANA PAC accepted anonymous contributions in the amount of \$800, which was \$500 more than the allowable limit of \$300.
- WANA PAC corrected its reports to accurately disclose \$500 dollars as proceeds from a qualifying low-cost fundraiser on an amended C-3 report electronically submitted on October 4, 2019.
- The committee also submitted additional amended C-3 reports to reflect the change in the anonymous contribution aggregate total appearing on Line 1a of each C-3 report filed after the date of the first reported anonymous receipt.

Calendar Year 2019

- The complaint alleged that, as of the date the complaint was submitted, WANA PAC had accepted anonymous contributions in the amount of \$450, which was \$150 more than the allowable limit of \$300 for calendar year 2019.
- WANA PAC corrected its reports to accurately disclose \$200 dollars as proceeds from a qualifying low-cost fundraiser on an amended C-3 report electronically submitted on October 4, 2019.

- The committee also submitted one amended C-3 report to reflect the change in the anonymous contribution aggregate total appearing on Line 1a of each C-3 report filed after the date of the first reported anonymous receipt.

It appears that WANA PAC held a small number of fundraising events each calendar year from 2016 to 2019 and that the committee treasurer, other officers and volunteers involved in planning the events and recording receipt of the proceeds, misunderstood the distinction between proceeds from a qualifying low-cost fundraiser described in RCW 42.17A.230 and unidentified or “anonymous” contributions and their restrictions described in RCW 42.17A.220.

In addition, WANA PAC has no previous violations of RCW 42.17A and has stated its intent to change the committee’s fundraising activities in order to ensure compliance in the future.

Based on these findings staff has determined that, in this instance, failure to accurately identify proceeds from low-cost fundraisers separate from contributions received from anonymous sources, and based on the committee escheating all funds that could not be identified as required by RCW 42.17A, does not amount to a finding of a violation warranting further investigation.

Pursuant to WAC 390-37-060(1)(d), WANA PAC will receive a formal written warning concerning the statutory restrictions on the receipt of funds from unidentified sources and the importance of the accurate disclosure of all contribution received, specifically funds that are not itemized including anonymous funds, small contributions of \$25 or less and proceeds from low-cost fundraisers. The formal written warning will include staff’s expectation that WANA PAC track all small donations in a manner that will ensure accurate and timely disclosure for all future required reports of contributions and expenditures. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

Based on this information, the PDC finds that no further action is warranted and has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov.

Sincerely,

/s _____
Jennifer Hansen
Compliance Officer

Endorsed by,

/s _____
Peter Lavalley
Executive Director

cc: Washington Association of Nurse Anesthetists PAC