



State of Washington
PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908
(360) 753-1111 • FAX (360) 753-1112
Toll Free 1-877-601-2828 • E-mail: pdcc@pdcc.wa.gov • Website: www.pdca.wa.gov

October 7, 2019

Delivered electronically to Christopher Rufo

Subject: Complaint filed against Christopher Rufo, PDC Case 55287

Mr. Rufo:

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

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

PDC staff is reminding you that should you become a candidate for public office in the future, that you properly dispose of surplus funds in accordance with RCW 42.17A.430, including the requirements that: (1) the election for which the contributions were solicited has been held (i.e. August 6, 2019 primary election; and (2) the charitable organization receiving surplus funds is properly registered with the Secretary of State's Office under RCW 19.09.

If you have any questions, please contact Kurt Young at 360-664-8854, toll-free at 1-877-601-2828 or by e-mail at kurt.young@pdcc.wa.gov.

Sincerely,

Endorsed by,

/s _____
Kurt Young
Compliance Officer

/s _____
BG Sandahl, Deputy Director for
Peter Lavalley, Executive Director



Public Disclosure Commission
Shining Light on Washington Politics Since 1972



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October 7, 2019

Delivered electronically to Tallman Trask

Subject: Complaint regarding Christopher Rufo, PDC Case 55287

Mr. Trask:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on July 23, 2019. Your complaint alleged that Christopher Rufo, a first-time candidate for Seattle City Council in 2019, may have violated RCW 42.17A.430 by donating funds remaining from his 2019 Campaign for Seattle City Council to a charitable organization that was not registered in accordance with the statute. Specifically, the complaint alleged that Christopher Rufo made an expenditure of his 2019 Campaigns surplus funds to the Documentary Foundation, which was registered as a 501(c)(3) tax-exempt nonprofit corporation, but not registered pursuant to RCW 19.09 as required by RCW 42.17A.430.

PDC staff reviewed the allegations listed in your complaint; the statutes, rules, and reporting requirements for a local candidate; the responses provided by the Respondent, and the applicable Summary Full Campaign Contribution and Expenditure reports (C-4 reports) filed by Respondent's Campaign. Based on staff's review, we found the following:

- On September 15, 2018, Christopher Rufo filed a Candidate Registration (C-1 report) declaring his candidate for Seattle City Council, Position 6 in 2019, selecting the Full Reporting Option and listing Suphatra Rufo as his Campaign Treasurer.
- In November of 2018, Mr., Rufo formally announced that he was terminating his candidacy for Seattle City Council.
- In November of 2018, Mr. Rufo contacted PDC staff requesting guidance about the steps necessary to close his 2019 campaign, and how he could dispose of any leftover or remaining Campaign funds. PDC staff emailed Mr. Rufo with information concerning the disposal of surplus campaign funds (RCW 42.17A.430) which permits candidates several options that includes refunding contributions to contributors, donating the surplus to a charitable organization, and transferring the surplus funds to a political party or caucus political committee.
- On January 4, 2019, the Christopher Rufo for City Council Campaign (Campaign) timely filed a Summary Full Campaign Contributions and Expenditures reports, checking the box indicating this was the Final Report and disclosing the Campaign received \$19,045 in total contributions received and \$19,104 in expenditures made. The final C-4 report disclosed that the Campaign made a number of expenditures on December 10, 2018, disbursing the campaign's remaining funds, that included:

1. A total of 14 expenditures were made refunding \$3,700 in contributions to contributors;
 2. A \$5,600 expenditure was made as charitable donation of surplus funds to the Union Gospel Mission;
 3. A \$10,000 expenditure was made as a charitable donation to the Documentary Foundation. Staff noted the Documentary Foundation has the same mailing address as the address Mr. Rufo listed on his C-1 report, and on the Personal Financial Affairs Statement (F-1 report) in the real estate sections of the F-1 report.
- On July 26, 2019, PDC staff notified Mr. Rufo the Documentary Foundation was not registered with the Secretary of State's Office (SOS) in accordance with RCW 19.09. Mr. Rufo quickly responded and made a good-faith effort to resolve the issue by registering the charity with the Secretary of State's Office within one business day of being notified by staff. He stated that he thought a 501(c)(3) tax-exempt nonprofit corporation was eligible to receive surplus funds from a candidate, and was not aware of the registration requirement with the SOS's Office, which led to the improper donation to the Documentary Foundation.
 - Mr. Rufo stated in a supplemental response he submitted to staff's request for additional information that the Documentary Foundation's charitable purpose is to "produce films, writing, and reports about civic and social issues and to educate audiences through public television and research publications." He stated that all of the foundation's expenses were used to support the foundations purpose "through direct expenditures, salaries, and overhead that allow us to produce and distribute film and writing content." He added that none of the \$10,000 in his Campaign's surplus funds that were transferred to the Documentary Foundation had been spent.

Staff's review found that Mr. Rufo:

1. Was a first-time candidate for public office in 2019 and unfamiliar with the PDC laws, rules and reporting requirements for a candidate.
2. Terminated his Campaign in November of 2018, more than six months prior to Candidate Filing week (May of 2019).
3. Contacted PDC staff after terminating his candidacy for Seattle City Council seeking advice on the disposal of his remaining campaign funds.
4. Made a good-faith effort to dispose of his 2019 surplus funds by timely disclosing the two expenditures on a C-4 report including the \$10,000 expenditure made to the Documentary Foundation, a charitable organization that he is involved with.
5. Took steps to remedy the error by promptly registering the Documentary Foundation with the Secretary of State's Office in accordance with RCW 19.09 once staff informed him of the requirement.

Based on these findings, and the facts listed above, staff determined that in this instance, the allegations do not warrant further investigation.

PDC staff has reminded Christopher Rufo should he become a candidate again for public office in the future, that he properly dispose of surplus funds in accordance with RCW 42.17A.430, including the requirements that the election for which the contributions were solicited has been held, and the charitable organization receiving his surplus funds is properly registered with the Secretary of State's Office under RCW 19.09.

Based on this information, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Kurt Young at (360) 664-8854, toll-free at 1-877-601-2828 or by e-mail at pdc@pdc.wa.gov

Sincerely,

Endorsed by,

/s _____

Kurt Young
Compliance Officer

/s _____

BG Sandahl, Deputy Director for
Peter Lavalley, Executive Director

cc: Christopher Rufo



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