

RESPONSE TO PDC. Burke, Ethelda (2): Alleged Violations of RCW 42.17A235 & .240 for failure to timely and accurately disclose contributions of in-kind contributions, expenditures, debts or loans (EY 21, Aug 21).

After the resignation of the Candidate's Original Treasurer (who, coincidentally had been recommended by the Complainant) on July 19, 2021, the Candidate's Campaign decided it was best to review all PDC filings, in their entirety. It was then noted that the Candidate had entered into a Campaign Retainer Contract with the Complainant's Firm, Archway Consultant Group on May 25, and had paid in full the required Retainer amount of \$2,500 on May 31—using her personal credit card since a Campaign Account had not been established at that point in time. (A copy of both the Consulting Contract / Retainer Agreement and Credit Card Payment are attached hereto.)

The Complainant states that payment for the Retainer was not previously reported—which is technically correct. However, because I was unable to determine precisely how to record payment of the \$2,500 Retainer, and then apply the use of those monies toward the Complainant's Invoice without duplicating the payment, I elected to record the use of the Retainer and reflected in the PDC Report wording the indicated payment to Archway's Invoice had a balance. Accordingly, I subsequently corrected the filing with the assistance of the PDC's staff by amending the previous filed Report of May 17 to May 31 and the June 1 to July 12 Report.

Further, the Complainant incorrectly claims that his invoice is a valid debt. This is because his Contract clearly states in Paragraph 3: "Client will pay a retainer to Archway for Services in the amount of \$2,500. This fee shall be payable in a lump sum or via monthly payment as reflected in Exhibit B." The Contract also lists what are services in Paragraph 1 "Description of Services." The Invoices clearly is for services as listed in Paragraph 1. Therefore, it was determined that the original filing of the Invoice 1217 as "debt" was incorrect. Thus, payment of the Invoice was inclusively covered by the May 31 Retainer credit card payment.

Since the May 31 \$2,500 payment was made by the Candidate's personal credit card payment, and she did not expect to be repaid by the Campaign, the payment was clearly determined to be an "in-kind" payment of a Campaign Expense by the Candidate.