

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: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

February 14, 2024

Delivered electronically to Amy Breitenstein at amylwest74@gmail.com

Subject: Complaint filed by Andrew Koeppen, PDC Case 145089

Dear Amy Breitenstein:

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

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

PDC staff reminds you that per RCW 42.17A.475, the transaction of a contribution over \$100 without a written instrument (e.g., a check or credit card transaction record) is a violation and therefore such contributions should not be accepted. As well, per WAC 390-37-060(1)(d), you are receiving a formal written warning concerning your failure to maintain underlying source documentation for the books of account as outlined in WAC 390-16-043. Staff expects you to comply with all laws, rules and PDC guidance in the future pertaining to accepting cash contributions in excess of \$100 and maintaining your campaign books of account. If violations of PDC laws or rules occur in the future, the Commission will consider this formal written warning in deciding on further Commission action.

During the case review, PDC staff discovered accuracy and timeliness issues with the filing of Cash Receipts, Monetary Contributions (C-3) and Receipts & Expenditure Summary (C-4) reports. Alleged violations of RCW 42.17A.235 and .240 are currently under investigation in PDC case 143991.

If you have questions, you may contact Tanya Mercier by e-mail at pdc@pdc.wa.gov.

Sincerely, Endorsed by,

/s/ Electronically signed /s/ Electronically signed

Tanya Mercier Peter Frey Lavallee
Compliance Officer Executive Director



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February 14, 2024

Delivered electronically to Andrew Koeppen at win@akoeppen.com

Subject: Complaint against Amy Breitenstein, PDC Case 145089

Dear Andrew Koeppen:

The Public Disclosure Commission (PDC) has completed its review and assessment of the complaint you filed on November 7, 2023. The complaint alleged that Amy Breitenstein, a candidate, for School Director in Moses Lake School District 161, may have violated RCW 42.17A.475 for accepting over the limit cash contributions, WAC 390-16-034 for failing to collect required contributor information and WAC 390-16-043 for failure to maintain underlying source documentation for the books of account in the 2023 election.

PDC staff reviewed the allegation(s); the applicable statutes, rules, and reporting requirements; the response(s) provided by the Respondent; the applicable PDC reports filed by the Respondent; and other relevant information, to determine whether the record supports a finding of one or more violations.

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

- Amy Breitenstein filed a Candidate Registration (C-1) on June 19, 2023, for the Full Reporting option. Ms. Breitenstein was a first-time candidate, and there were no other persons listed as officers or leaders for the campaign.
- RCW 42.17A.475 states, in part, that "a person may not make a contribution of more than one-hundred dollars, other than an in-kind contribution, except by a written instrument containing the name of the donor and the name of the payee." A written instrument includes a check or credit card transaction record.
 - It was found that the campaign did accept two cash contributions, totaling \$600, from James Baker and Carla Urias. Both contributions were in excess of the allowed \$100.
 - o In this instance, there is no further action for the campaign to take to comply with the statute.
- Regarding books of account reviewed during an inspection, the complaint stated the following:
 - 1. The "'ledger' presented was a hand-scribbled and incomplete list of some deposits and withdrawals, lacking clarity and completeness."
 - 2. "The candidate failed to provide occupation and employer information for individuals who contributed more than \$250 aggregate, whether through cash or check."

3. "The candidate failed to provide complete underlying source documentation, there were no canceled checks, copies of contribution checks, and or digital transaction records."

Amy Breitenstein responded to these statements, explaining that "at the time of the audit I did provide underlying source documentation including written receipts. I did not provide cancelled checks as my bank does not provide them."

RCW 42.17A.235 states, in part, "the treasurer or candidate shall preserve the books of account, bills, receipts, and all other financial records of the campaign." WAC 390-16-043 defines "books of account" as "a ledger or similar listing of contributions, expenditures, and debts" and the books of account include: "a ledger, spreadsheet, or similar listing of contributions, expenditures, loans, debts and obligations to substantiate the information disclosed on the PDC campaign finance reports."

The format of the "books of account" is not mandated by statute or WAC, but the expectation is that the information is accurate and thorough to substantiate the required reporting to the Commission. As well, it is not expected that a campaign maintains records not provided by a financial institution, for example cancelled checks. However, the campaign should maintain copies of received contribution checks and other source documents outlined in WAC 390-16-043.

- Based on submitted reports, the campaign did have adequate record keeping facilitating reporting to the Commission. However, there does appear to be a failure by the campaign to have maintained all required supporting documentation.
- The complaint stated, "it was observed that Kirryn Jensen and Carla Urias received an inkind donation for radio commercials from Amy Breitenstein, potentially violating the rule that prohibits transfer of campaign funds or services to other candidates or political committees." The case review determined Amy Breitenstein's campaign did pay for a radio commercial during her campaign and that the campaigns of Kirryn Jensen and Carla Urias received a benefit from that political advertising. Both candidates were aware of the political advertising and reimbursed Amy Breitenstein's campaign for their share of the costs. There was initial confusion by the campaigns on how to report these transactions, but those reporting issues are resolved. The evidence does not support a violation.
- The complaint stated, "the candidate also omitted to disclose an in-kind donation from a PAC called 'Connecting Communities." The in-kind was alleged to have been a flyer created and distributed by the PAC that endorsed the candidates. Upon review of the flyer, and in further responses from Ms. Breitenstein, there does not appear to have been coordination between the PAC and the campaign regarding the creation of the flyer, and Ms. Breitenstein states they did not participate in the distribution. The evidence does not support a violation.
- During the books of account inspection, David Hunt was present. The complaint alleged the campaign concealed Mr. Hunt's role as treasurer and campaign manager. Ms. Breitenstein acknowledges that David Hunt helped on her campaign, and was present at the book of account inspection, but states that he was not an officer of her campaign. The evidence does not support a violation.

- The complaint stated, "I believe that one of the in-kind contributions attributed to Mr. Hunt and cash donation by Jon Smith may actually have originated from Mr. Hunt's PAC, known as 'Connecting Communities." There was no evidence provided to substantiate this allegation, and it is determined by PDC staff to be unfounded.
- Following the submission of your complaint, you provided pictures of Amy Breitenstein, Carla Urias, Kirryn Jensen, David Skaugg, David Hunt, and Dan Delano socializing together as well as working together on the various campaigns of the candidates. Candidates may attend campaign events, civic engagement related events, or "Get out the vote" (GOTV) events with other candidates. GOTV events aim to increase voter turnout in elections and often focus their efforts on voter registration and encouragement of voting generally.

Although the law prohibits using campaign funds to make a contribution to another candidate or political committee (other than using surplus funds to give to a political party or caucus committee), a candidate is allowed to use their campaign money to pay for costs to attend an event held by another candidate, a political party or committee, so long as attending the event is directly related to the candidate's own campaign and the candidate's campaign only pays the per-person cost of consumables provided at the event (that is, the candidate uses their campaign money only to pay for their share of the actual cost of food, beverages, preparation, catering and entertainment furnished at the event). If the candidate wishes to pay the full admission charge (e.g., including a contribution amount above and beyond the costs associated with attendance), they must use their personal funds to do so.

Candidates may work together, or with other entities, to coordinate campaign events, but if there are event costs attributable to candidates, then those costs should be shared by all candidates who receive a benefit from the event. We encourage candidates to directly pay vendors their share of the costs, and report this share as an expenditure in the Online Reporting of Campaign Activity (ORCA) system.

The evidence here does not support a violation.

- Allegations made against David Hunt are not germane to this case. If you have evidence to support your allegations, you should follow-up with a separate complaint directly against Mr. Hunt.
- Amy Breitenstein does not have other similar warnings or violations of PDC requirements.

Based on our findings staff has determined that, in this instance, accepting over the limit cash contributions and failing to maintain underlying source documentation for the books of account in the 2023 election do not amount to violations that call for further investigation.

Pursuant to WAC 390-37-060(1)(d), however, Amy Breitenstein will receive a formal written warning concerning her failure to maintain underlying source documentation for the books of account as outlined in WAC 390-16-043. And she will be reminded that the transaction of a contribution over \$100 without a written instrument is a violation and therefore such contributions should not be accepted in the future. Staff expects that in the future, she will comply with all laws, rules and PDC guidance pertaining to cash contributions and maintaining

campaign books of account. If violations of PDC laws or rules occur in the future, the Commission will consider this formal written warning in deciding on further Commission action.

Based on this information, the PDC finds that no further action necessary and has dismissed this matter per RCW 42.17A.755(1).

If you have questions, you may contact Tanya Mercier by e-mail at pdc.wa.gov.

Sincerely, Endorsed by,

/s/ Electronically signed
Tanya Mercier Peter Frey Lavallee

Executive Director

cc: Amy Breitenstein

Compliance Officer