



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

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June 21, 2019

Delivered electronically to Glen Morgan at glen@wethegoverned.com

Subject: Complaint regarding the Jefferson County Democratic Central Committee, PDC Case 26538

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on October 12, 2017. Your complaint alleged that the Jefferson County Democratic Central Committee (Committee), a Continuing Bona Fide Political Party Committee, may have violated RCW 42.17A.235 by (1) failing to timely and accurately file C-3 and C-4 reports; (2) failing to timely and accurately report debt; and (3) failing to properly report the purpose of expenditures as required by RCW 42.17A.240, WAC 390-16-037 and WAC 390-16-205.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the applicable C-3 and C-4 reports filed by the Committee; and the response provided by the Committee.

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

Allegation one: Failure to timely file C-3 and C-4 reports.

- PDC staff reviewed the 24 C-3 and C-4 reports you attached in the spreadsheet. Staff found that three reports were not required because they were standard interest accrued on money deposited in the Committee's account which is not considered a contribution for reporting purposes. For the remaining 21 reports, two were timely filed, nine were between one and 14 days late, and ten were 21 days late, accounting for \$3,232.38 in contributions received and \$1.48 in expenditures. All the late reports were outside the accelerated reporting period.

Allegation Two: Failure to timely and accurately report debt.

- PDC staff reviewed the 27 alleged unreported debts you attached in the spreadsheet. Except for a few items on the attached spreadsheet for items such as *print membership envelopes* on February 7, 2016 for \$359.56, *75 clinton yard signs* on September 30, 2016 for \$375 and *yard signs and campaign buttons* on August 26, 2016 for \$820.82, staff found that most of the items in the attached spreadsheet appear to be orders paid at the time the orders were placed, during the same reporting cycle. For example, the Committee paid \$280 on April 11, 2017 and \$694.28 on August 12, 2016, for *Jefferson county fair booth rental* and *3-month liability insurance for committee headquarters*, respectively. Additionally, you did not provide any evidence to show that any of the expenditure depicted in your spreadsheet was preceded by a promise to pay in an earlier reporting period.

- In its response to this allegation, the Committee, by way of its treasurer and chair, stated, “Mr. Morgan offers no proof that the Treasurers knew or could have known, the amount these expenditures would have totaled, in time to report during the period he alleges, because that is simply not the case.”

Allegation Three: Failure to properly report the purpose of expenditures.

- Staff reviewed the description of the payments made to the 38 vendors/individuals on your spreadsheet. Staff found that most of the expenses/payments made for items like buttons and supplies for canvassing, including reimbursements to individuals, even though some for small amounts of less than \$100, lacked the proper description(s) or additional information as required by RCW 42.17A.240, WAC 390-16-037 and WAC 390-16-205.

As noted above, staff found that there were multiple expenditures made by the Committee either to a vendor or an individual for which a more detailed explanation or description should have been provided as required by law. Staff also noted that there were 19 reports that were reported late by the Committee. However, these deficiencies are mitigated by the fact that the Committee showed a good faith effort by amending their reports during this period to disclose additional information or correct inaccurate information in the interest of transparency. The Committee has also since put some measures/controls in place to ensure timely filing of reports in the future. Additionally, the Committee has no prior violations.

Based on these findings staff has determined that, in this instance, the failure to file timely and accurate C-3 and C-4 reports, including expenditures for debt, and the failure to properly report the purpose of expenditures, does not amount to an actual violation warranting further investigation.

However, staff is reminding the Committee about the importance of filing timely and accurate C-3 and C-4 reports disclosing contribution and expenditure activities undertaken by the Committee, including expenditures for debt, and the importance of properly reporting the purpose of expenditures, specifically to include the number of items and sub-vendor information where applicable, as required by RCW 42.17A.240, WAC 390-16-037 and WAC 390-16-205.

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 Erick Agina at 360-586-2869, toll-free at 1-877-601-2828, or by e-mail at erick.agina@pdc.wa.gov

Sincerely,

Endorsed by,

s/ _____
Erick Agina, Compliance Officer

s/ _____
BG Sandahl, Deputy Director
For Peter Lavallee, Executive Director

cc: Martin Ivers, Treasurer for the Jefferson County Democrats
Martin Gilmore, Chair for Jefferson County Democrats