

Re: Case #178603 Response to Complaint Alleging Failure to Report Expenditures (RCW 42.17A.235, 240)

PDC Compliance Officer,

Thank you for your clarification regarding the reporting categories for candidate self-funding. I appreciate the opportunity to respond to Case #178603 and to bring my reports fully into alignment with PDC guidance.

1. 2021 Post-Election Reporting and Account Closure

At the end of my 2021 campaign, there was a small balance left in the campaign account. Those funds were used to cover ongoing campaign infrastructure (such as monthly bank fees, website hosting and email account hosting).

I mistakenly believed I no longer needed to file reports once the election was over and no new outside contributions were coming in. I now understand I should have continued filing **post-election C-4s until the account was formally closed at \$0**. I have filed the missing reports to reflect these final expenditures and the account close-out.

2. Clarification of Candidate In-Kind Contributions (2025 Campaign)

In my 2025 filings, I initially reported several out-of-pocket campaign expenses (Squarespace hosting, Google Workspace, design services, printing, etc.) as direct expenditures. Based on your guidance, I now understand:

- If a candidate pays directly from personal funds with no expectation of reimbursement, the amount must be reported as an in-kind contribution from the candidate. The report should include a detailed description of what the in-kind contribution covered.
- If money is deposited into the campaign account, it must be reported either as a personal contribution (if no repayment is expected) or as a loan (if repayment is intended).

I have never intended to be reimbursed for any of my personal contributions, and I have not used any in-kind loan reporting. My reporting of in-kind contributions and personal funds has been corrected and is consistent with the PDC's guidance.

3. Corrective Action Plan

To ensure accurate and compliant reporting for both my 2025 and 2021 campaigns, I have taken the following actions:

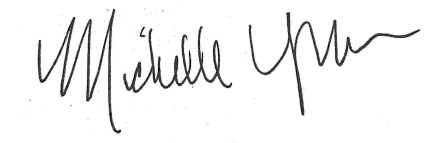
- Amended 2025 reports to clarify the purpose and vendor details for each in-kind contribution made from personal funds.
- Reconfirmed that deposits into the campaign account are categorized as the candidate's personal funds (no repayment intended).
- Deleted one mistakenly reported personal-use entry (campaign t-shirt purchase dated May 7, 2025), which should not have been reported.
- Clarified ActBlue deposits and reporting of ActBlue/Stripe processing fees:
 - I have continued reporting the full contribution amount authorized by the donor using the *Monetary Contributions* function.
 - I now separately report ActBlue and Stripe transaction fees as *Monetary Expenditures* which should be referenced when reconciling net funds that are deposited into the bank account vs. donor contribution amounts.
- Filed/amended all relevant 2021 post-election C-4 reports to reflect account activity through January 2023 and closure with a \$0 balance.

4. Good Faith and Commitment

I want to emphasize that all donations and expenses were reported on time. Any errors in those reports were unintentional and stemmed from confusion around reporting categories, particularly how to classify self-funding and third-party processor fees, not from any attempt to obscure or withhold information.

Since transitioning from mini to full reporting on August 8, 2025, my goal has been to ensure full transparency and timely disclosure of all campaign activity. I appreciate the PDC's assistance in clarifying these distinctions and have filed amended reports to accurately reflect the correct categorizations.

Respectfully,



Michelle Evans

Candidate, Woodinville City Council Position 1
Case #178603