

To the PDC

From the Zita campaign(s)

2015: Zita for Port

2017: Re-elect Zita for Port

Date: 25 May 2017

Glen Morgan recently filed a 12-point PDC complaint against our campaign(s). While we try our best to comply with all regulations, we may sometimes make honest mistakes. We will do all we can to come into compliance quickly when any come to our attention, and we appreciate the PDC's guidance. We respond point by point to the complaints below.

DW = Danielle Westbrook, our treasurer / campaign manager for 2015, responded to items 1-7 and 11.

EJZ = Zita responded to items 3, 8-10. (Danielle responded to part of item 3.)

JH = Joel Hansen, our treasurer for 2017, responded to items 11 and 12.

Thank you for your assistance in this process. Please let us know if anything requires our further attention.

Best, E.J. Zita, Commissioner, Port of Olympia zitaport@gmail.com 360-705-1559

120 State Ave NE, #243, Olympia WA 98501

BRIEF Responses to complaints:

- 1) 2015 mailbox – DW: ***included in mailings cost***
- 2) 2015 late reports – DW: amendments are permitted
- 3) 2017 - ***Rob Richards is paid in full for his services, and payments are reported in our PDC filings (EJZ)***
- 4) 2015 expenses – DW: ***No expenses were illegally hidden and/or disguised.***
- 5) 2015 mailbox – DW: ***included in mailings cost***
- 6) 2015 Danielle as committee officer, not listed – ***DW's role changed over time***
- 7) 2015 unauthorized expenditures – ***All expenditures were authorized (DW)***
- 8) Zita check box on 2015 F1 – ***Zita checked the box when filing, and it is now checked. (EJZ)***
- 9) Zita F1 error – ***A guess by Glen Morgan.. Neither Dr. Mikael Kautsky nor his office make any payments to Sisters Seven LLC.***
- 10) Zita PERS account – ***A guess by Glen Morgan. Zita has no PERS account.***
- 11) 2017 filing timing – ***JH: The campaign filed with the PDC 14 days after receiving donations. DW renewed campaign website.***
- 12) 2017 Bob Jacobs loan – ***Done. Campaign Treasurer Joel Hanson and Bob Jacobs have signed a written loan agreement for the Zita campaign. (JH)***

More detailed responses follow.

Responses from the Zita campaign(s) to each complaint below are indented, bold, in italics.

25 May 2017

DW = Danielle Westbrook, treasurer / campaign manager for 2015

EJZ = E.J. Zita

JH = Joel Hansen, treasurer for 2017

From Glen Morgan to the PDC: To Whom it Must Concern – It has come to my attention that EJ Zita has violated multiple provisions of RCW 42.17A over the past two years.

1) Failure to timely file C3 & C4 reports on day C1 is filed. (Violation of RCW 42.17A.235(1))

State law requires that candidates and committees submit reports containing all contributions received and expenditures made on the same day they submit their statement of registration (C1). Unfortunately Zita failed to do this in 2015. We know this because Zita listed “120 State Ave NE #292” as her campaign’s mailing address, which is the address of “Mailbox of Olympia.” This is a post mail box, for which Zita must have expended funds to use. This needed to be reported as an expenditure or in-kind contribution on the same day the C1 was filed.

DW: The cost of a mailbox at “Mailbox of Olympia” was included in the anticipated cost of future mailings. No funds were exchanged for the mailbox on the date of or prior to the date of the C1 being filed. This is the business practice of The Mailbox.

2) Failure to timely file accurate, timely C3 and C4 reports. (Violation of RCW 42.17A.235)

State law requires that candidates and committees file frequent, accurate, and timely reports of contributions, expenditures, in-kind contributions, and debt. Unfortunately, Zita failed on numerous occasions to do this.

2015 Violations

a) According to the PDC, the C4 for the time period of 5/1/2015 to 5/31/2015 was due on 6/10/2015. Zita’s original report failed to include two reimbursements to Zita valued at approximately \$187.00 for the candidate filing fee and photography, and an addition \$49 in expenses valued at \$50 or less. Unfortunately, Zita failed to file an accurate C4 until 7/13/2015, 33 days past the statutory deadline.

DW: It is well understood that reporting errors can happen or that, when filing a report, sometimes you are missing necessary information. The PDC has always allowed amended reports to be filed as long as the initial reports were filed on time. After thoroughly researching this issue, I can find no deadline in place for when reports must be amended.

The only language I can find regarding amending reports is on the PDC website, which says the following:

“What do I do when the report is due, but I don't have all of the information I need to include for a contributor or vendor?”

Supply all of the information that you have and file the report, so it is not late. Keep working on obtaining the information and amend the report once you receive the missing information. Add missing information for contacts in the ORCA software by clicking Accounts>Contacts on the menu bar at the top of the screen. Select “individual” for a contributor or “other” for a vendor, and then

click the browse button (binoculars) to see the contact list. Click the name you need to edit to highlight and then click OK. Make your changes and then click OK."

b) According to the PDC, the C4 for the time period of 6/1/2015 to 7/13/2015 was due on 7/14/2015. Zita's original report failed to include two in-kind contributions from Peggy and Allen Zimmerman valued at \$72.00 for Food and Wine.

Unfortunately, Zita failed to file an accurate C4 until 9/10/2015, **56 days past the statutory deadline.**

DW: See response to 2a.

c) According to the PDC, the C4 for the time period of 7/14/2015 to 7/27/2015 was due on 7/28/2015. Zita's original report failed to include the expenditure of \$55.32 worth of non-itemized expenses and two in-kind contributions of food valued at \$150 from Carole Pagels and Tom Best.

Unfortunately, Zita failed to file an accurate C4 until 9/10/2015, **42 days past the statutory deadline.** It's important to note that the original report was **also submitted one day late.**

DW: See response to 2a.

3) Failure to accurately, timely report debt. (Violation of RCW 42.17A.240 (8), see WAC 390-05-295)

State law requires that the name and address of any person and the amount owed for any debt, obligation, note, unpaid loan, or other liability in the amount of more than two hundred fifty dollars or in the amount of more than fifty dollars that has been outstanding for over thirty days. Per **WAC 390-05-295**, this includes any oral or written order placed, debt or obligation to purchase goods or services or anything of value, or any offer to purchase advertising space, broadcast time or other advertising related product or service.

Zita failed to illegally report the following debts on preceding C4s:

2015 Violations

(See attached file labelled "Zita illegally hidden secret debt list")

DW: See attached spreadsheets for responses to alleged 2015 violations.

Zita has failed to report the debt she intends to pay to Rob Richards (her campaign manager) over the entire course of the campaign. A campaign manager is explicitly **not** ministerial activities, and therefore must be reported as campaign debt. This total amount is required to be reported as debt per state law.

The Zita campaign owes no debt to Rob Richards. He was paid in full for his temporary services, which ended in May 2017. These payments are reported in our PDC filings. (EJZ)

4) Failure to properly break down expenses. (Violation of RCW 42.17A.235, see WAC 390-16-205)

State law requires that expenditures made on behalf of a candidate or political committee by any person, agency, firm, organization, etc. employed or retained for the purpose of organizing, directing, managing or assisting the candidate's or committee's efforts shall be deemed expenditures by the candidate or committee. In accordance with **WAC 390-16-037**, such expenditures shall be reported by the candidate or committee as if made or incurred by the candidate or committee directly.

Zita illegally failed to break down the following expenses:

2015 Violations

(See attached file labelled "Zita illegally hidden and disguised expense list")

DW: See attached. No expenses were illegally hidden and/or disguised.

5) Failure to report in-kind contribution. (Violation of RCW 42.17A.235 (1))

On her original C1 (filed 5/12/15), Zita lists "120 State Ave NE #292" as her campaign's mailing address, which is the address of "Mailbox of Olympia." This is a post mail box, for which Zita must have expended funds to receive. This needed to be reported as an expenditure or in-kind contribution. The estimated cost is ~\$80. This must be reported immediately. It is interesting to note that she did report this correctly for her 2017 campaign.

DW: The cost of a mailbox at "Mailbox of Olympia" was included in the cost future mailings. No funds were exchanged for the mailbox on the date of or prior to the date of the C1 being filed.

6) Failure to list Danielle Westbrook as a committee officer. (Violation of RCW 42.17A.205 (2)(c), see WAC 390-05-245.

Zita failed to list **Danielle Westbrook** as an officer, which is required by **RCW 42.17A.205(2)(c)**. **Danielle Westbrook** was the consultant for the campaign.

I believe that **Danielle Westbrook** should have been listed as a committee officer, because Westbrook, in conjunction with others, made, directed, or authorized expenditures, strategic or policy decisions on behalf of the committee.

WAC 390-05-245 defines committee officer as: "...any person designated by the committee as an officer on the C-1 or C-1pc registration statement and any **person** who alone or in conjunction with other persons makes, directs, or authorizes contribution, expenditure, strategic or policy decisions on behalf of the committee".

Please note that **RCW 42.17A.005 (35)** defines "person" as: "...an individual, partnership, joint venture, public or private corporation, association, federal, state, or local governmental entity or agency however constituted, candidate, committee, political committee, political party, executive committee thereof, or any other organization or group of persons, however organized."

DW: At the time of filing, I was a volunteer treasurer for the campaign. I eventually took on other duties as a volunteer until it became apparent that my consulting services were needed. I was unaware that the C1 needed to be amended when I assumed additional responsibilities. Had I known this was a requirement, I would have happily filed an amended C1.

7) Illegal unauthorized expenditure of funds by an individual not listed as an officer on C-1 form. (Violation of RCW 42.17A.425)

State law requires that: "No expenditures may be made or incurred by any candidate or political committee unless authorized by the candidate or the person or persons named on the candidate's or committee's registration form..."

Despite doing most of the ordering for mail projects for the Zita campaign, **Danielle Westbrook** did not appear as an officer on Zita's C1 form.

I believe that **Danielle Westbrook** illegally made expenditures for the Zita campaign, in violation of state law.

DW: All campaign expenditures were approved by the candidate. Additionally, a key responsibility of a campaign treasurer is to ensure that expenditures have been properly authorized, in this case by the Candidate.

8) Failure to acknowledge understanding of RCW 42.17A.555. (Violation of RCW 42.17A.700 (7))

State law requires that incumbents for public office check a box on their F1 acknowledging applicable statutes prohibiting misuse of public resources for campaign purposes.

Zita failed to do this on her F1 covering 2015. Zita must immediately amend her F1 to include acknowledgement of **RCW 42.17A.555**.

A. **Zita checked the box when originally filing online, and B. it is now checked.** (EJZ)

A. Zita checked the box when originally filing online. If the box is not checked, the PDC software will not permit filing. This was verified by a test illustrated below. Attempting to file with no box checked results in **error flags** (in yellow highlights) and failure to file. Why did the F1 appear online with the box unchecked? This is a question that the PDC software gurus may wish to investigate.

The screenshot shows a web form titled "Certification and Declaration" with a question mark icon. It is for "ALL FILERS EXCEPT CANDIDATES". There are two radio button options, both highlighted in yellow. The first option is selected: "I hold a state elected office, am an executive state officer, or Professional staff. I have read and am familiar with RCW 42.52.180 regarding the use of public resources in campaigns." The second option is "I hold a local elected office. I have read and am familiar with RCW 42.17A.555 regarding the use of public facilities in campaigns." Below the options are input fields for "Full Name" (Elizabeth J Zita), "Date" (5/23/2017), and "(Work) Email" (zitaport@gmail.com). A calendar icon is next to the date field. Below the input fields is a "CERTIFICATION:" section with a paragraph of text: "By typing 'I CERTIFY' in the box below, I certify under penalty of perjury under the laws of the State of Washington that have the authority to sign PDC reports for the entity named in this registration and further certify that the information contained in the reports is true, complete and correct to the best of my knowledge." Below this is another paragraph: "I acknowledge and agree that by electronically signing this certification, I have read WAC-390-19-010 through 050 and the Electronic Filing Instructions on the PDC web site." At the bottom, there is a red warning: "Do not enter I certify until you are ready to sent the F1 to the PDC. If you enter I certify and add additional information it will send the F1 to the PDC." There are two buttons: "I CERTIFY" and "Submit Report".

B. The box is now checked. Zita updated the F1 online to ensure that. (EJZ)

9) Failure to timely submit accurate F1. (Violation of RCW 42.17A.700, .710)

Zita failed to submit an accurate F1 containing all the information required by state law for the time period covering 2015 and 2016. Specifically, Zita failed to list all payments from business customers in excess of \$12,000 or more for Sisters Seven LLC. I have reason to believe that the Dr. Mikael Kautsky's dental group pays more than this amount to the LLC.

A guess by Glen Morgan. Neither Dr. Mikael Kautsky nor his office make any payments to Sisters Seven LLC. (EJZ)

10) Failure to accurately disclose ownership of a PERS retirement account as an asset. (Violation of RCW 42.17A.700, see WAC 390-24-010)

State law requires that elected officials disclose the assets that they own on their F1 statement, if they are over a certain value. Zita failed to report the value of her PERS retirement account, which is an asset. The value of Zita's PERS retirement account is almost certainly over \$2400, as Zita is a longtime public employee for the Evergreen State College. Zita must be required to amend this form to include accurate information.

A guess by Glen Morgan. Zita has no PERS account. She has included her retirement accounts on her F1. (EJZ)

11) Failure to timely file C1. (Violation of RCW 42.17A.205)

State law allows candidates 14 days after "becoming a candidate" (which includes making an expenditure) to file their C1.

JH: The first activity that I am aware of is the receipt of two checks on January 17. The campaign filed with the PDC 14 days later on the 29th.

Zita renewed her campaign website on 12/30/2016, which would have given her until 1/13/2017 to file her C1. Unfortunately, she did not submit this important form until 1/30/2017, well past the statutory deadline.

DW: Zita's campaign did not renew her campaign website. I (Danielle Westbrook) purchased it as an independent citizen with no intent to transfer ownership to the Zita campaign or to use it for campaign purposes.

12) Failure to record loan by written instrument. (Violation of RCW 42.17A.465(2))

Bob Jacobs made a loan to Zita's campaign valued at \$2000. It is highly likely that the loan he gave to Zita's campaign was not done by written instrument -- as required by state law.

A subpoena of Zita's campaign records should confirm the absence of this written instrument.

Zita's campaign must immediately record this loan in writing, or face additional penalties from the PDC or AG's office.

Done. Campaign Treasurer Joel Hanson and Bob Jacobs have signed a written loan agreement for the Zita campaign. (JH)

The PDC should investigate the possibility that Zita committed the above violations maliciously, which would be a class C felony per **RCW 42.17A.750 (2)(c)**. If the PDC determines that is the case, they should refer the case to the Attorney General's office for criminal prosecution immediately. Please don't hesitate to contact me if you need any additional information. Best Regards, Glen Morgan

Zita campaign: All reports filed and expenditures made were done so in good faith. All efforts were made to comply with the law. Nothing was done maliciously. If errors were made, we will happily learn from our mistakes and refile reports in order to be in complete compliance.

Vendor	Date	Amount	Description	Failure to report debt
THE MAILBOX	2015-10-19	\$ 8,512.86	POSTAGE/MAILING COSTS	This should have been reported as debt on the 21 day pre-general C4.
This bill was paid upon receipt of the invoice. There was no debt to report in the 21-day pre-general C4.				
CAPITOL CITY PRESS	2015-10-27	\$ 3,224.36	PRINTING	This should have been reported as debt on the 21 day pre-general C4.
This bill was paid upon receipt of the invoice. There was no debt to report in the 21-day pre-general C4.				

ZITA EJ	2015-06-11	\$ 2,256.60	THOMPSON SIGNS - SIGNS	This should have been reported as debt on the C4 covering May.
This bill was paid upon receipt of the invoice. There was no debt to report in the May C4.				
THE MAILBOX	2015-07-17	\$ 1,910.30	PRIMARY MAILING	This should have been reported as debt on the 21 day pre-primary C4.
This bill was paid upon receipt of the invoice. There was no debt to report in the 21-day pre-general C4.				

				This should have been reported as debt on the 21 day pre-primary C4.
CAPITOL CITY PRESS	2015-07-17	\$ 1,057.82	PRINTING	
This bill was paid upon receipt of the invoice. There was no debt to report in the 21-day pre-general C4.				
				This should have been reported as debt on the 21 day pre-general C4.
WESTBROOK DANIELLE	2015-12-14	\$ 1,020.08	CONSULTING FEE	
This was a General Election win bonus. There was no debt to report in the 21-day pre-general C4.				

WESTBROOK DANIELLE	2015-08-07	\$ 750.00	CONSULTING SERVICES	This should have been reported on the 7 day-preprimary C4.
This was a Primary Election win bonus. There was no debt prior to 08/04/15.				
CAPITOL CITY PRESS	2015-06-18	\$ 383.51	REMIT ENVELOPES	This should have been reported as debt on the C4 covering May.
Invoice from Capital City Press was received on 06/01/15. There was no debt to report in May.				

ZITA EJ	2015-06-12	\$ 368.93	LINCOLN CREEK LUMBER - WOOD STAKES	This should have been reported as debt on the C4 covering May.
Invoice from Lincoln Creek Lumber is dated and was paid on 06/12/15.				

Vendor	Date	Amount	Description
THE MAILBOX	2015-10-19	\$8,512.86	POSTAGE/MAILING COSTS
Wasn't aware of the requirement to breakdown postage and mailing costs. Will happily amend. (Exact mail date was unknown due to printing delays.)			
CAPITOL CITY PRESS	2015-10-27	\$3,224.36	PRINTING
Capitol City Press didn't send the mailing. They only printed it.			
THE MAILBOX	2015-07-17	\$1,910.30	PRIMARY MAILING
Wasn't aware of the requirement to breakdown postage and mailing costs. Will happily amend. (Exact mail date was unknown due to printing delays.)			
CAPITOL CITY PRESS	2015-07-17	\$1,057.82	PRINTING
Capitol City Press didn't send the mailing. They only printed it.			
THURSTON COUNTY DEMOCRATS	2015-10-27	\$ 216.00	NEWSPAPER AD
PDC website says the run date of ad must be specified "if known". Exact date was unknown			
WORKS IN PROGRESS	2015-11-01	\$ 89.00	NEWSPAPER AD
PDC website says the run date of ad must be specified "if known". Exact date was unknown			

Failure to breakdown expenditures.

Failure to breakdown postage and mailing c

Failure to specify when the printed mail pie

Failure to breakdown postage and mailing c

Failure to specify when the printed mail pie

Failure to specify run date of the ad.

Failure to specify run date of the ad.

olywip@gmail.com

Error checking mail for your external acco

Gmail

Move to Inbox

COMPOSE

Inbox (52)

Starred

Sent Mail

Drafts (2)

elect@zitaforport.co...

More labels

 Danielle

No recent chats

[Start a new one](#)



Danielle Westbrook <zitaforport@gmail.com>

to olywip

I'd like to run the attached political ad in the next WIP edition. Can you give me a cos

Thanks!



Works In Progress <olywip@gmail.com>

to me

Danielle, we'll give you the rate for a two-column square -- \$89. (It's much cheaper th



Danielle Westbrook <zitaforport@gmail.com>

to Works

Thank you!





Danielle Westbrook <zitaforport@gmail.com>

Fwd: Reminder: General Election & The Democrat

3 messages

ZitaPort <zitaport@gmail.com>

Sat, Sep 12, 2015 at 10:54 AM

To: Danielle Zita 4 Port <zitaforport@gmail.com>

Are we doing this? Zita

Begin forwarded message:

From: Lee Doyle <leecomdesign@comcast.net>
Date: 11 September 2015 12:07:21 pm GMT-7
To: Lee Doyle <leecomdesign@comcast.net>
Subject: Reminder: General Election & The Democrat

A reminder to candidates and their teams.

Please confirm your ads for the General Election edition by September 11, including number of columns x inches tall. Deadline to submit your predesigned ad is September 16. If you wish the communications team to design your ad, let us know immediately so that we can plan our time to help you.

Thanks for your consideration!

The Democrat News Team

zitaforport@gmail.com <zitaforport@gmail.com>

Sat, Sep 12, 2015 at 11:04 AM

To: ZitaPort <zitaport@gmail.com>

Yes. Already taking care of it.

Sent from my iPhone

On Sep 12, 2015, at 10:54 AM, ZitaPort <zitaport@gmail.com> wrote:

Are we doing this? Zita

Begin forwarded message:

From: Lee Doyle <leecomdesign@comcast.net>
Date: 11 September 2015 12:07:21 pm GMT-7
To: Lee Doyle <leecomdesign@comcast.net>
Subject: Reminder: General Election & The Democrat

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Thanks for your consideration!

The Democrat News Team

ZitaPort <zitaport@gmail.com>
To: "zitaforport@gmail.com" <zitaforport@gmail.com>

Sun, Sep 13, 2015 at 7:23 AM

I have a better photo,

E.J Zita
PO Box 1441
Olympia, WA 98507

Armstrong-Zita Ranch
[360-628-6969](tel:360-628-6969)

On 12 Sep 2015, at 11:04 am, zitaforport@gmail.com wrote:

Yes. Already taking care of it.

Sent from my iPhone

On Sep 12, 2015, at 10:54 AM, ZitaPort <zitaport@gmail.com> wrote:

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Begin forwarded message:

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