

March 16, 2017

To whom it must concern,

It has come to my attention that the Spokane County Democratic Central Committee (SCDCC) has violated an impressive range, volume, and variety of provisions of **RCW 42.17A**.

I have submitted a few complaints to the Public Disclosure Commission before, but this complaint details the most egregious violation of campaign finance laws I have yet uncovered in our state. The scope, variety, and willful malicious actions this complaint documents clearly demand a more thorough investigation of this Committee by the PDC. I have only categorized and alleged the top 10 most egregious categories of violations. Hundreds of examples are provided throughout this complaint, and a wide variety of supporting evidence and summary spreadsheets are attached to assist in this investigation.

Spokane County Democratic Central Committee Background Timeline

January, 2013 - Jim CastroLang first elected Chair

January, 2015 - Jim CastroLang re-elected Chair

September, 2015 - Jim CastroLang while still remaining Committee Chair, becomes paid Executive Director at \$2000 per month (signed contract)

January 2016 - All C3s and C4s cease to be filed. Committee stops submitting documents to PDC

July 31, 2016 - Treasurer Justin Galloway officially resigns from Committee

August 22, 2016 - CastroLang, acting as Chair, secret Treasurer, and paid Executive Director begins filing financial documents to PDC under Galloway's name

January 2017 - New Chair and Treasurer elected, CastroLang continues as paid Executive Director

February 2017 - C1 revised to show CastroLang as "Vice Treasurer"

1.) Elected Chair and paid Executive Director and acting Treasurer Jim CastroLang Falsified C4 expenditure reports to hide SCDCC payments of at least \$17,260.36 to himself from the Public Disclosure Commission. (Violation of RCW 42.17A.235, .750(h)(2)(c))

According to minutes from the SCDCC, elected Chair Jim CastroLang officially became a part-time paid Executive Director beginning September 1, 2015. There appears to be a contract to this effect on file with the SCDCC. CastroLang was to be paid approximately \$2000 per month for his work to fundraise and build the Democratic Party.

As presented by CastroLang to the SCDCC Executive Board and reflected in their minutes from December 2016 (see SCDCC minutes attached)- CastroLang was paid \$24,000.

Unfortunately, according to the C4s, CastroLang appears to have only reported payment of \$4,542.20 during this time.

It should be noted that various taxes were withheld from these payments, and in at least some cases, the payroll expenses were included in some of the C4s. For 2016 this totalled \$5524.67, which would roughly match payments of \$24,000. However, in most cases, the actual payments to CastroLang were not

disclosed on the C4s submitted to the PDC. This can only be explained as **actions which clearly demonstrate willful malice (See RCW 42.17A.750(h)(2)(c)).**

In order for the PDC to better understand the scope of this willful and malicious deception, an exhibit is attached titled "Jim CastroLang's secret paychecks" to date and reference the payment schedule. It is suspected and likely that a separate bank account was used "off the books" to hide the funds used to pay CastroLang in 2015-2016. It should be noted that since 2017, these payments appear to be accurately reflected in recent PDC reports.

I urge the PDC to request a copy of Jim CastroLang's executive director contract with the SCDCC as well as a complete bank account statements (all bank statements from all accounts Jan2015-Jan2017) to confirm the true scope of this violation. Some violations are simple to find using PDC documents, but only this data will allow the PDC to properly ascertain the true scope and range of this and many of the following violations. It would also be prudent for the PDC to request all correspondence between CastroLang and the SCDCC eboard during this time before it can be destroyed or "lost." It is still unclear with whom and how many people Castrolang may have colluded or deceived to commit this violation.

2). Failure to accurately report large donations, attempt to hide large donations, attempt to disguise and hide overlimit donations from PDC, and failure to return overlimit donations (Violation of RCW 42.17A.235, .705(h)(2)(c))

In four significant instances, major donations to the SCDCC have been hidden from the public. These are most likely the funds which were used to pay CastroLang's secret salary. The true scope of the deception may take further investigation to confirm, but we can confirm the following donations to the SCDCC were not reported accurately:

1. According to the Washington Education Association PAC (see attached WEA C4 **Ref#100696093**), the **WEA donated \$5,000** to the SCDCC on January 11, 2016. **These funds were never disclosed by the SCDCC on any C3 report.** It appears likely these funds were used to secretly pay the salary of Jim CastroLang, and were kept out of SCDCC C4 reports with willful malice (**See RCW 42.17A.705(h)(2)(c)**).
2. According to the Spokane Firefighters Union PAC (see attached C4s **Ref # 1006445678, #100671679**) The SFF made two donations to the SCDCC totaling \$7,000 in the 2015 calendar Year (One for \$5000 on March 16, 2015 and one for \$2000 on November 16, 2015). According the PDC, the limits on donations by Union Committees like the SFF PAC to Bona Fide Party Committee (non-exempt) are \$5,500 per calendar year. This donation was \$1500 over the legal limit. Rather than refunding the overlimit amount of this contribution of \$1500, the SCDCC appears to report only \$5000 in donations from the SFF PAC on their C3s for 2015. **The SCDCC appears to willfully hide from the PDC and the public \$2000 of these donations, including \$1500 of which were over the legal contribution limit.** It appears likely these funds were used to secretly pay the salary of Jim CastroLang, and were kept out of SCDCC C4 reports with willful malice (**See RCW 42.17A.705(h)(2)(c)**).
3. Again, according to the Spokane Firefighters Union PAC (see attached C4s **Ref # 100679735, #100727450**) The SFF made two donations to the SCDCC totaling \$7,929 in the 2016 calendar

Year (One for \$6900 on January 8, 2016 and one for \$1,029 on September 21, 2016). According to the PDC, the limits on donations by Union Committees like the SFF PAC to Bona Fide Party Committee (non-exempt) are \$5,500 per calendar year. This donation was \$2429 over the legal limit. Rather than refunding the overlimit amount of this contribution, the SCDCC appears to report only \$5000 in donations from the SFF PAC on their C3s for 2015. **The SCDCC appears to willfully hide from the PDC and the public \$3000 of these donations from the Jan 8th contribution, including \$2,429 of which were over the legal contribution limit.** Please note, **in order to hide these funds, the SCDCC deposited a check for \$6900, but only reported \$3900 at the time.** This clearly indicates willful malice and intent. It appears likely these funds were used to pay the secret hidden salary of Jim CastroLang, and were kept out of SCDCC C4 reports with willful malice (**See RCW 42.17A.705(h)(2)(c)**).

4. This pattern of behavior appears to extend to more hidden off-the-books donations. On January 19, 2016, according to late C3s filed, the Spokane Tribe donated \$2,000 to the SCDCC. On June 23, 2016, according to late C3s, the Kalispel Tribal Economic Authority donated \$5,000 to the SCDCC. In a November 2, 2016 Letter to the Editor, elected Chair, paid Executive Director, and secret Treasurer Jim CastroLang wrote *"...the relationship of the Spokane County Democrats with the Kalispel and Spokane Tribes...both tribes are Sustaining Partners of ours offering equal financial support."* It is possible CastroLang lied in his letter in the paper. However, it appears more likely that while both Tribal entities probably did support the SCDCC equally, **it appears that \$3000 may have also been diverted into a secret slush fund account, just like the examples provided above. It appears likely these funds were used to pay the secret salary of Jim CastroLang, and were kept out of SCDCC C4 reports with willful malice (See RCW 42.17A.705(h)(2)(c)).** See LTE linked here: <http://www.spokesman.com/stories/2016/nov/02/s-r-should-back-biviano-not-oguinn/>

Due to the fact that not every type of donor to the SCDCC is required to file their own C4s, it appears probable that other large and small donations may have been selectively hidden from the PDC as well. The only way to truly determine the scope of the deception would be to compare the original bank accounts and verify how many transactions do or do not align with the PDC reporting documents. I would urge the PDC as a first step in the investigation process to obtain at least the 2015-2017 bank records to compare with the PDC reports filed. The discrepancies should be simple to notice.

3). Failure to register political committee, illegally "borrowing" funds from unregistered political committee, failure to report \$7000 of debt (Violation of RCW 42.17A.240, .705(h)(2)(c))

References are made in meeting minutes and financial "reports" provided by elected Chair, paid Executive Director, and secret Treasurer Jim CastroLang to the SCDCC executive board that \$7000 was "borrowed" from the "Drumheller Scholarship Fund" and that these funds would need to be "paid back" by 2017 expenditures. It appears CastroLang "borrowed" these funds against the wishes of the executive board, but that is not a PDC violation. However, nowhere in the C3 or C4 documents are there references to the "Drumheller Scholarship Fund" or any similar type of fund. There is some indication that multiple Certificates of Deposits exist with approximately \$13,000 in them, but the legal structure around these funds are unclear. It appears that CastroLang had access to this money and treated it as another type of slush fund from which he could borrow money against internal SCDCC policies, but also possibly in violation of **RCW 42.17A.240** by failing to report the \$7000 as debt (see attached "financial" report provided by CastroLang to SCDCC

eboard) . **It appears likely these funds were also used to pay the secret salary of Jim CastroLang, and were kept out of SCDCC C4 reports with willful malice (See RCW 42.17A.705(h)(2)(c))**

Additionally, if the funds contained in these accounts are not or were never reported to the PDC, then additional violations have also been committed by CastroLang representing the SCDCC, which would probably be considered running an unregistered political action committee, which is clearly a violation of **RCW 42.17A.**

4). Failure to timely file C3 contribution forms (Violation of RCW 42.17A.235)

The Spokane County Democratic Central Committee (SCDCC) failed to file **ANY** C3 contribution forms between January 11, 2016 and August 22nd 2016. This is particularly notable for several reasons. First, the following required deadlines were willfully ignored by the elected county Chairman, paid Executive Director (and former Treasurer) Jim Castrolang for nearly 8 months:

January 11 - close of last report thru December 31st
February 10 - close of last report thru January 31st
March 10 - close of last report thru Feb 29th
April 11 - close of last report thru March 31st
May 11 - close of last report thru April 30th
June 10 - close of last report thru May 31st
June 1 - Primary Day - Monday weekly reporting

The SCDCC is a very active committee raising and spending more than \$100,000 per year. It is inexplicable and defies logical explanation that this committee would decide to **completely ignore all reporting requirements for the majority of the year.** 2015 was an exceptionally sloppy year for PDC reporting by this committee, but this **poor track record of PDC reporting degraded to PDC scofflaw status in 2016.**

This failure to follow the law is even less excusable when you become aware that in September 2015 the tenure for a part-time paid Executive Director Jim Castrolang began with a promise to bring more professionalism to the SCDCC(see item #9 on attached minutes from WSDCC Sept19 meeting). Instead, based on these reported results, the SCDCC descended even further out of compliance. **There is substantial evidence that these actions reach the threshold of willful malice (See RCW 42.17A.750(h)(2)(c)) (see attached meeting minutes from October 8, 2016 for the SCDCC where CastroLang seems to imply that he got away with all these botched filings without being noticed by the PDC).**

Due to the egregious volume of ignored and late documents, I have attached a spreadsheet exhibit titled “2016 SCDCC Late C3 reports”. The spreadsheet provides file number, date due, date received, and days late. The following is the summary of the attached exhibit of 161 late C3 reports, I also included the exceptional 33 reports in this spreadsheet which were submitted on time:

| | |
|------|-----------------|
| 1 C3 | - 209 days late |
| 1 C3 | - 208 days late |

| | |
|------------|-------------------|
| 15 C3s | - 194 days late |
| 2 C3s | - 180 days late |
| 9 C3s | - 165 days late |
| 3 C3s | - 148 days late |
| 3 C3s | - 140 days late |
| 11 C3s | - 133 days late |
| 2 C3s | - 132 days late |
| 9 C3s | - 124 days late |
| 1 C3 | - 114 days late |
| 6 C3s | - 111 days late |
| 3 C3s | - 97 days late |
| 9 C3s | - 95 days late |
| 4 C3s | - 94 days late |
| 4 C3s | - 91 days late |
| 5 C3s | - 84 days late |
| 3 C3s | - 83 days late |
| 3 C3s | - 76 days late |
| 2 C3s | - 71 days late |
| 6 C3s | - 64 days late |
| 4 C3s | - 63 days late |
| 1 C3 | - 59 days late |
| 4 C3s | - 56 days late |
| 5 C3s | - 53 days late |
| 5 C3s | - 46 days late |
| 6 C3s | - 39 days late |
| 6 C3s | - 32 days late |
| 4 C3s | - 24 days late |
| 3 C3s | - 21 days late |
| 5 C3s | - 14 days late |
| 1 C3 | - 8 days late |
| 5 C3s | - 7 days late |
| 5 C3s | - 3 days late |
| 5 C3s | - 2 days late |
| Total: 161 | C3s filed late |
| Total 33 | C3s filed on time |

5). Failure to timely file C4 expenditure forms. (Violation of RCW 42.17A.235)

The Spokane County Democratic Central Committee (SCDCC) failed to file **ANY** C4 forms between January 11, 2016 and August 22nd 2016. This is particularly notable for several reasons. First, the following required deadlines were willfully ignored by the elected Chair, paid Executive Director (and former Treasurer) Jim Castrolang for 8 months:

January 11 - close of last report thru December 31st
February 10 - close of last report thru January 31st
March 10 - close of last report thru Feb 29th
April 11 - close of last report thru March 31st
May 11 - close of last report thru April 30th
June 10 - close of last report thru May 31st
July 12 - 21 day pre-primary C-4s due
July 26 - 7 day pre-primary C-4s due

The SCDCC is a very active committee raising and spending more than \$100,000 per year. It is inexplicable and defies logical explanation that this committee would decide to **completely ignore all reporting requirements for the majority of the year**. While 2015 was sloppy, 2016 was much, much worse.

This failure to follow the law is even less excusable when it is clear that in September 2015 the tenure for a part-time paid Executive Director (and elected Chair) Jim Castrolang began (see item #9 on attached minutes from WSDCC Sept 19 meeting) with a promise to bring more professionalism to the SCDCC and instead, based on these results, the reporting became substantially more illegal and out of compliance. **There is substantial evidence that these actions reach the threshold of willful malice (See RCW 42.17A.750(h)(2)(c)) (see attached meeting minutes for the SCDCC from October 8, 2016 where CastroLang seems to imply that he got away with all these botched filings without being noticed by the PDC).**

Due to the egregious volume of ignored and late documents, I have attached a spreadsheet exhibit titled "2016 SCDCC Late C4 reports". The spreadsheet provides file number, date due, date received, and days late. The attached exhibit of 12 late C4 reports, the majority of which were over 100 days late. I also included the exceptional 2 reports in this spreadsheet which were actually submitted in a timely manner..

6). Knowingly Filed with willful malice at least 208 forged documents with the Public Disclosure Commission (Violation of RCW 42.17A.750(h)(2)(c), .240, .235, .750)

Acting in his capacity as elected Chair, paid Executive Director, AND secret treasurer, Jim CastroLane filed at least 208 documents with the PDC under a false alias. Specifically, as CastroLane reported to the Spokane County Democratic Central Committee Executive Board, the previous Treasurer, Justin J Galloway had resigned July 31, 2016 (see attached SCDCC minutes from 2016). Despite this fact, **CastroLang continued to file at least 208 documents with the PDC falsifying Galloway's digital signature in order to misdirect the public and the PDC as to the origin of all these documents.**

(See attached exhibits "2016 SCDCC Late C4 reports" and "2016 SCDCC Late C3 reports" for a comprehensive list of these documents, which will include PDC file numbers for all 208 referenced documents). It is possible additional documents with forged information was also provided to the PDC, but these are the 208 confirmed documents provided as evidence to start..

7). Failure to Update corrected C1PC form within 10 days of change (Violation of RCW 42.17A.205(4), .750)

As reported by elected Chair, paid Executive Director, AND secret treasurer Jim CastroLang, the previous Treasurer for the SCDCC, Justin Galloway, resigned effective July 31, 2016. The statute requires that the name of the treasurer be included on the C1PC and be filed with the PDC (**RCW 42.17A.205(2)(d)**). State law is also very clear (**RCW 42.17A.205(4)**) that the Committee must notify the PDC within 10 days of a material change to the information on the C1PC. **The C1PC for 2016 was never updated and submitted to the PDC until new SCDCC elections in 2017.**

**8). Failure to list all members of the political committee on C1PC form.
(Violation of RCW 42.17A.205 (2)(c), see WAC 390-05-245)**

State law requires that political committees list all “officers” who are involved in strategic decision making on behalf of the committee.

Per SCDCC bylaws, each elected member of the executive board gets a vote as to what decisions are made. As such, the **SCDCC illegally failed to list ANY of the e-board members** on their C1PCs filed in 2013, 2014, 2015 or 2016.

This is particularly disconcerting because the last six months of 2016, Jim CastroLang was serving as elected Chair, paid Executive Director, and secret Treasurer. Who was signing CastroLang’s undisclosed secret paychecks? Unless CastroLang was signing his own pay checks, it appears that at least one other unknown individual should have been listed as an officer as well. See attached exhibit labeled “History of C1PC filings for SCDCC” which clearly indicates that in 2012 (before CastroLang’s election as Chair), at least some officers were typically listed. Also note, that the new SCDCC filings in 2017 appear to correctly list the officers and be updated with changes.

9). Failure to accurately file expenditure report (C4) by deadline. (Violation of RCW 42.17A.235)

A) According to the PDC, the accurate report of expenditures (C4) for the month of March 2016 was due on April 11, 2016. Unfortunately, the SCDCC committee and paid **Executive Director Jim CastroLang (acting as Treasurer and illegally filing C4 documents under a false name)** failed to file an accurate report containing all contributions before the deadline.

Specifically, the SCDCC original C4 for the month of March 2016 (**Ref. #100720966**) failed to accurately report the previous cash and in-kind contributions at \$8,811.20 (instead they originally reported \$21,597.42, which was false and **inaccurate by \$12,786.22**). They also failed to accurately report the previous total cash and in kind expenditures at \$9,598.72 (instead they originally reported \$10,731.98, which was false and **inaccurate by \$1133.26**). This ultimately led to an inaccurate and dishonest initial report stating that the cash on hand (line 18 & line 20) was \$11,537.50, when in fact the true number was a negative balance of -\$115.46. This presents a substantial different financial picture to the public of the SCDCC committee at

that time. This is particularly impactful as these false reports were created and filed during a contentious election season.

The SCDCC and CastroLang failed to file an accurate report until September 16, 2016 when CastroLang submitted an amended C4 that included this. **This report was 158 days late.**

B) According to the PDC, the accurate report of expenditures (C4) for the month of February 2016 was due on March 10, 2016. Unfortunately, the SCDCC committee and paid **Executive Director Jim CastroLang (acting as secret Treasurer and illegally filing C4 documents under a false name)** failed to file an accurate report containing all contributions before the deadline.

Specifically, the SCDCC original C4 for the month of February 2016 (**Ref. #100720964**) failed to accurately report the previous cash and in-kind contributions at \$7,025.00 (instead they originally reported \$19,811.22, which was false and **inaccurate by \$12,786.22**). They also failed to accurately report the previous total cash and in kind expenditures at \$9,598.72 (instead they originally reported \$10,865.44, which was false and **inaccurate by \$1266.72**). This ultimately led to an inaccurate and dishonest initial report stating that the cash on hand (line 18 & line 20) was \$10,731.98, when in fact the true number was a negative balance of -\$787.52. This presents a substantial different financial picture to the public of the SCDCC committee at that time. This is particularly impactful as these false reports were created and filed during a contentious election season.

The SCDCC and CastroLang failed to file an accurate report until September 16, 2016 when CastroLang submitted an amended C4 that included this. **This report was 190 days late.**

C) According to the PDC, the accurate report of expenditures (C4) for the month of January 2016 was due on February 10, 2016. Unfortunately, the SCDCC committee and paid **Executive Director Jim CastroLang (acting as secret Treasurer and illegally filing C4 documents under a false name)** failed to file an accurate report of any kind anywhere near the deadline. Instead, this report (**Ref #100721307**) was filed September 16, 2016. **This report was 219 days late.** Oddly enough, a second revised C4 (**Ref #100721308**) was filed the same day but with no apparent changes.

D) According to the PDC, the accurate report of expenditures (C4) for the post primary C4 (July 28-Aug31) is due September 10, 2015. Unfortunately, the SCDCC committee failed to file an an accurate report before the deadline.

Specifically, the SCDCC original post primary C4 (**Ref. #100656545**) failed to include an \$1800 expenditure for rent to the First Presbyterian Church on August 7, 2015. Additionally, they failed to accurately report the previous cash and in-kind contributions received this period at \$11,167.56 (instead they originally reported as \$11,145.30, which was false and **inaccurate by \$22.26**). They also failed to accurately report the previous total cash and in kind expenditures at \$11,045.63. (instead they originally reported \$9,245.63, which was false and **inaccurate by \$1800.00**). This ultimately led to an inaccurate and dishonest initial report stating that the cash on hand (line 18 & line 20) was \$31,196.90, when in fact the true number was \$29,396.90. **This report was 33 days late.**

E) According to the PDC, the accurate report of expenditures (C4) for the pre primary C4 (June 1- July 13) is due July 14, 2015. Unfortunately, the SCDCC committee failed to file an an accurate report before the deadline.

Specifically, the SCDCC's original pre primary C4 (**Ref. #100647835**) failed to include two cash deposits. One was made on July 10, 2015 for \$540 and one made on June 1, 2015 for \$21.

Additionally Expenses of \$50 or less were \$173.50, but it was originally reported as \$148.50, which was **false and inaccurate by \$25**).

Additionally, they failed to include a \$282.60 expenditure on July 13, 2015 to Rick Lloyd "Reimbursement for Tent." They also failed to include a \$107.00 expenditure on July 10, 2015 to South Perry Street Fair for a "Booth." They also failed to include a \$431.00 expenditure on July 8, 2015 to the Spokane County Interstate Fair for "Booth Rental." This was a **total of \$820.60 of expenditures not reported by the deadline.**

Additionally, the SCDCC failed to provide a Schedule A of Additional Deposits totaling \$1,648.50.

Additionally, they failed to accurately report the previous cash and in-kind contributions received this period at \$60,883.22 (instead they originally reported as \$50,164.36, which was false and **inaccurate by \$10,718.86**). They also failed to accurately report the previous total cash and in kind expenditures at \$30,560.05. (instead they originally reported \$28,085.07, which was false and **inaccurate by \$2,474.98**). This ultimately led to an inaccurate and false initial report stating that the cash on hand (line 18 & line 20) was \$19,880.65, when in fact the true number was \$29,488.43. **The final version of this report was 42 days late.**

*Please note revision history (**REF#100652742 & #100653363 & #100653943**)

F) According to the PDC, the accurate report of expenditures (C4) for the February C4 (February 1-February 28) is due March 10, 2015. Unfortunately, the SCDCC committee failed to file an accurate report before the deadline. In fact, the first inaccurate version of this report wasn't even made until May 27, 2015. This was initially 78 days late, but the **final version of this report was 161 days late.**

Specifically, the SCDCC's original pre primary C4 (**Ref. #100639123**) failed to include seven cash deposits. **Total cash deposits NOT included in original C4 - \$1,499.00**

Additionally Expenses of \$50 or less were \$213.16, but it was originally reported (78 days late) at \$38.17, which was **false and inaccurate by \$174.99**).

Additionally, they failed to include every expenditure during this reporting period. The following expenditures were not reported initially:

| | |
|--|------------|
| Feb 2, 2015 - The DataBank - "Data Base" | \$423.36 |
| Feb 3, 2015 - Woodhead Properties - "Rent" | \$1,063.00 |
| Feb 5, 2015 -Zubha Webworks - "Web hosting" | \$79.00 |
| Feb 5, 2015 - Avista Utilities - "Electricity" | \$372.45 |
| Feb 5, 2015 - Zubha Webworks - "Web hosting" | \$370.00 |
| Feb 11, 2015- First Presbyterian Church - "Rent" | \$1,985.70 |
| Feb 12, 2015- Comcast - "Phone/Internet" | \$75.73 |
| Feb 24, 2015 - Mark See - "Canvassing" | \$169.89 |
| Feb 27, 2015 - Zubha Webworks - "Web hosting" | \$79.00 |

Total expenditures NOT reported by the deadline, or even on the original C4 - \$4,618.13

Additionally, the SCDCC failed to provide a Schedule A of Additional Deposits totaling \$620.17

Additionally, the SCDCC failed to provide a Schedule C of Refunds from Vendors which included a refund from Woodhead Properties Feb 24, 2015 totaling \$1,063.00.

Finally, they failed to accurately report the previous cash and in-kind contributions received this period at \$26,371.23 (instead they originally reported as \$26,364.99, which was false and **inaccurate by \$6.24**). This, along with other inaccuracies, ultimately led to an inaccurate and false initial report stating that the cash on hand (line 18 & line 20) was \$24,569.74, when in fact the true number was \$21,902.03. **The final version of this report was 161 days late.**

*Please note revision history (**REF#100653358 & #100644554 & #100643279**)

G) According to the PDC, the accurate report of expenditures (C4) for the April C4 (April 1- April 30) is due May 11, 2015. Unfortunately, the SCDCC committee failed to file an accurate report before the deadline. In fact, the first inaccurate version of this report wasn't even made until May 27, 2015. This was initially 16 days late, but the **final version of this report was 106 days late.**

Specifically, the SCDCC's original pre primary C4 (**Ref. #100639125**) failed to include four cash deposits. **Total cash deposits NOT included in original C4 - \$112.00**

Additionally Expenses of \$50 or less were \$147.98, but it was originally reported (16 days late) at \$108.07, which was **false and inaccurate by \$39.91**).

Additionally, they failed to include every expenditure during this reporting period. The following expenditures were not reported initially:

| | | |
|---|---------------------|------------|
| April 2, 2015 - Redwood Merchant Services | - "Credit Card Fees | - \$416.71 |
| April 2, 2015 - The Data Bank | - Data Base | - \$444.52 |
| April 16, 2015 - Avista Utilities | - Electricity | - \$292.50 |
| April 23, 2015 - Zubha Webworks | - Web site | - \$79.00 |
| April 23, 2015 - Comcast | - Internet | - \$143.08 |

Total expenditures NOT reported by the deadline, or even on the original C4 - \$1,375.81

Additionally, the SCDCC failed to provide a Schedule A of Additional Deposits totaling \$467.46

Finally, they failed to accurately report the previous cash and in-kind contributions received this period at \$26,371.23 (instead they originally reported as \$26,364.99, which was false and **inaccurate by \$6.24**). This, along with other inaccuracies, ultimately led to an inaccurate and false initial report stating that the cash on hand (line 18 & line 20) was \$24,569.74, when in fact the true number was \$21,902.03. **The final version of this report was 161 days late.**

*Please note revision history (**REF#100653358 & #100644554 & #100643279**)

10). Failure to accurately file contribution report (C3) by deadline. (Violation of RCW 42.17A.235)

I will not individually break down the many violations in the 161 late C3s filed in 2016. Additional C3s were filed incorrectly and over many months were modified in 2015 as well. This appears to have been habitual and common practice at the SCDCC during this reporting time.

Conclusion

The significant volume and scope of violations committed by the SCDCC over the last two years exceeds the resources and time that a casual, part-time volunteer can document effectively. I suspect the only way the PDC or the Attorney General's office could document with any certainty the true nature and scope of these violations would be to utilize a forensic fraud investigator, possibly borrowing a team of employees with this skillset from the state Auditor's office. Unfiltered access to the bank account statements and cancelled checks is obviously necessary because the documents filed with the PDC clearly don't represent reality for the true campaign activities of the SCDCC over the past several years. Additionally, subpoenaed access to all internal email and other correspondence will probably be necessary before these records are destroyed (assuming they still exist).

I have attempted to outline only the most obvious and egregious violations detailed above. I also noticed, but did not take the time to document specifically and in detail the various inconsistencies and missing information on the 161 late C3s from 2016 alone. The submitted complaint should be sufficient to support the fact there are serious and widespread problems throughout these filed documents. It is certain that neither the public nor the PDC would have been able to review filed PDC documents and know what the SCDCC was actually doing over the last few years of their political activities.

Additionally, proper accounting for Debt (**Per RCW 42.17A.240**) is not addressed or accurately represented in most of these filed documents. Even casual compliance with PDC reporting was so lacking - any compliance achieved by the SCDCC over the last two years appears to have been accidental and rare.

This appears to be an instance where the majority of the worst abuses of **RCW 42.17A** have been committed directly by Jim CastroLang wearing his various job description hats. There may have been collusion at times with other people (former Treasurer Justin Galloway as one obvious possibility) along the way, but it is clear that CastroLang's actions have turned the SCDCC into a perfect example of what widespread campaign finance law abuse looks like. **This case should be the classic example for why the PDC exists in the first place.** It is also clear the AG should be involved in this process from the beginning.

Most disconcerting, as documented in the SCDCC executive board meeting minutes from September 2016, there appears to have been a culture of casual disregard and even mockery directed at the PDC and campaign finance laws - "No PDC complaints filed" implying "we got away with it." If there is ever a case where willful malicious behavior must be confronted per **RCW 42.17A.750(h)(2)(c)**, it is this case. If this section of the law is to have any meaning at all - it was envisioned for situations exactly like this.

I am happy to clarify and provide additional evidence of wrongdoing if the above complaint is inadequate or not detailed enough..

Best Regards,

Glen Morgan