

Public Disclosure Commission
PO Box 40908
Olympia, WA 98504

Dear Public Disclosure Commission –

Thank you for the opportunity to respond to the complaint filed on December 28th by Mr. Glen Morgan. Below are detailed responses to the complaint:

- 1.) Yes! Magazine is also known as Positive Futures Network, which is a charity registered (and current with the Sec of State). Here is their current registration:

<https://www.sos.wa.gov/charities/search-app.aspx#/detail-charity/25673>

Beth Am Temple is also known as the Union for Reform Judaism and is also listed on the Sec of State's charitable listings (although it says it is not required to register):

<https://www.sos.wa.gov/charities/search-app.aspx#/detail-charity/22879>

If a person went to either of those websites, they would learn of the DBAs for both valid non-profits. If the PDC would like us to amend these reports to add the dbas for extra clarity, we would be happy to do so, but clearly these are legitimate surplus donations.

- 2.) This report has been amended to fix this oversight.
- 3.) Speaker Chopp has submitted reimbursement receipts with the 11/26 reimbursement request including the 11 receipts for various parking charges. This mileage request is constructed from the extensive travel the Speaker does across the state. The Speaker keeps travel records and receipts. Portions of the miles should have been reported on the previous C4s as a debt or obligation. Because of that error, the Speaker has refunded the total of \$1,287.33 to his campaign account. The claim that the Speaker's home office printer was purchased for personal is inaccurate. The Speaker sends thank you notes, prints, and copies contributions and expenses, as well as other campaign correspondence from his home office.

The PDC has also provided guidance on reimbursements to Argo Strategies on several occasions that when candidates purchase items with personal debit/credit cards and either do not receive receipts or, during campaign rigor, lose track of receipts, they can go back and amend reports, after a reporting period, when credit card statements are received to provide further accuracy. Reporting estimates has always been allowed by PDC. If the PDC is changing its guidance on amending reports after the filing period, we request a specific statement to that effect.

- 4.) By definition, candidates and treasurers are agents of the campaign and are already presumed officers. It has not historically been required to list them again under the committee officer line. If that practice has changed, or the PDC is now requiring it, please let us know so the Speaker's c1 can be amended to clearly state the Speaker is a decision maker for his own campaign committee.
- 5.) This contribution has been refunded so no over-the-limit claim exists. As you can see from the other over-the-limit issues during the election season, we work diligently to refund over-the-limit donations.

Regarding the assertion about inaccurately reporting the refunds, we have discussed this issue with PDC staff on multiple occasions. Because a particular candidate or committee can have several refunds issued into and out of the campaign (refunds from vendors, checks that never clear, and refunds to donors to name a few), it can offset the bank reconciliation process if the item is simply “deleted” from the account. Additionally, deleting a donation or expense like that means that it raises or lowers C4 amounts for that reporting period AND any reporting period thereafter. Because of the multiple amendment issue that can occur, the PDC has not required deleting entries in the ORCA software. We have been advised by PDC staff that the way we are handling the refund issue is acceptable because we aren’t using ORCA software to file reports.

- 6.) The PDC has historically allowed reports to be amended when discrepancies occur and the campaigns proactively fix the problems. This is what happened on the C3 referenced in the complaint. The C3 filed didn’t contain all of the donations for that deposit and it was noticed immediately and fixed as soon as the error was observed.

The remaining issues that Mr. Morgan cites in this section are the same. They are issues that the campaign self-corrected within a reasonable amount of time, shortly after the issue was discovered, typically during a bank reconciliation process.

- 7.) The PDC has provided guidance on multi-item reimbursements and breakdowns and has said that the way we break down the vendors and amounts is sufficient. Because the Schedule A doesn’t allow for “splits,” like Quickbooks or Accounting software would, the PDC has allowed us to report the reimbursements this way. If the PDC does not agree that this is sufficient any longer, please let us know and we can fix this one expense to reflect a different description.
- 8.) There is no issue here. We pulled up the C4 Schedule Bs of the listed items and each of them has been reported as a debt/obligation on the appropriate month’s C4/Schedule B. The PDC has made it clear that monthly payments for such things as vendors like Argo Strategies, fundraisers, salaries, rent, etc., are reported as debts/obligations for the month they accrued, not for the entirety of the campaign cycle. Furthermore, in this specific instance, per our written contract, there is no obligation for Citizens for Frank Chopp to pay Argo Strategies beyond the current month as our contract may be cancelled at any time.

As many of the PDC staff can attest, we are in frequent communications with the agency when questions, concerns or issues arise. We try to respond to requests for feedback when the agency seeks guidance from campaign professionals on new rules or legislation. We value this relationship and appreciate the PDC’s willingness to work with us when issues arise. We also sincerely appreciate the PDC’s flexibility and continued willingness to weigh heavily the good faith efforts we make in trying to keep the public informed of timely and accurate disclosure.

We respectfully ask that you dismiss the complaint by Mr. Glen Morgan.

Sincerely,

Jason Bennett, Treasurer
Citizens for Frank Chopp

