



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908
(360) 753-1111 • FAX (360) 753-1112

Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

January 20, 2019

Delivered electronically to Rick Offner, Treasurer for Pierce County Democratic Central Committee at “pcdemsinfo@gmail.com”

Subject: Complaint filed by Glen Morgan, PDC Cases 42704 & 44695

Dear Rick Offner:

Below is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted in the letter to Glen Morgan, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(b), this letter serves as a warning letter concerning failure to timely and accurately file Monetary Contributions reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) disclosing contribution and expenditure activities and failure to timely file an amended Committee Registration (C-1pc report) disclosing material changes. Staff expects you to timely file accurate and complete C-3, C-4 and C-1pc reports in future years in accordance with PDC laws and rules. The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by email at jennifer.hansen@pdc.wa.gov.

Sincerely,

/s _____
Jennifer Hansen
Compliance Officer

Endorsed by,

/s _____
Peter Lavalley
Executive Director



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January 20, 2019

Delivered electronically to Glen Morgan at “glen@wethegoverned.com”

Subject: Complaint regarding Pierce County Democratic Central Committee, PDC Cases 42704 & 44695

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaints you filed on October 23, 2018 and January 3, 2019. Your complaints alleged that the Pierce County Democratic Central Committee (PCDCC), a bona fide political party committee may have violated: (1) RCW 42.17A.235 and .240 by failing to timely and accurately file Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports), disclosing contributions and expenditures undertaken by the Campaign; and (2) RCW 42.17A.205 by failing to timely file an amended Committee Registration (C-1pc report) within ten days disclosing any material change in the committee information.

PDC staff reviewed the allegations listed in the two complaints you filed; the applicable statutes, rules, and reporting requirements; the response provided by Dominick Bergeron, former Treasurer for Pierce County Democratic Central Committee; the applicable PDC reports filed by Respondent; and queried the Respondent’s data in the PDC contribution and expenditure database, to determine whether the record supports a finding of one or more violations.

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

- On September 10, 2018, Pierce County Democratic Central Committee (Committee) filed an amended C-1pc report as a Continuing Bona Fide Political Party Committee selecting the “Full Reporting” option and listing Tim Farrell as Chair and Committee Manager, Dominick Bergeron as Committee Treasurer, Angel Swanson as Vice-Chair, and Patricia Dailey as Secretary.
- On January 7, 2019, PCDCC filed an amended C-1pc report listing Kathy Orlando as Chair and Committee Manager, Rick Offner as Committee Treasurer, Eric Herde as Vice-Chair, and Diane Sandowski as Secretary.

Summary of PDC Case 42704

- Staff’s review of the spreadsheet attached to the complaint alleging late filed C-3 and C-4 reports, is broken down as follows:

1. The Committee submitted 22 initially filed C-3 reports, and seven amended C-3 reports; and six initially filed C-4 reports, and 16 amended C-4 reports.
 2. The majority of the alleged late filed C-3 and C-4 reports filed by the Committee included both initially and amended C-3 and C-4 reports covered the period of December 8, 2016 through October 23, 2018.
 3. Staff believes that the allegations concerning those late filed reports are covered by the Settlement agreement that was entered into between the PCDCC and the Attorney General's Office (AGO) and are not subject to additional state action by the PDC for both Pre and Post passage of 2938.
 4. Staff's review of the remaining C-3 and C-4 reports, and the response from PCDCC, found that eight of the alleged late filed C-3 and C-4 reports were submitted as amendments to correct previously disclosed information that had been discovered during an internal audit conducted by PCDCC.
 5. Some of the amended filings only reflected changes in the aggregate totals due to corrections and amendments made to previous reports.
 6. Ten of the alleged late filed C-3 and C-4 reports involved technical issues requiring assistance from PDC Staff in order to complete the filing, and the late filed reports disclosed mostly small contributors and proceeds from low-cost fundraisers and committee expenditures for rent.
- In his response, Treasurer Dominick Bergeron, stated that errors occurring after the date of the settlement referenced above, were "minor technical errors, which were communicated to the PDC at the time, insignificant in amount or impact on any campaign outcome, or just minor human error." In addition, he described the high turnover rate with committee treasurers which he stated is partially due to "the anxiety associated with the zero-tolerance provision of the settlement."
 - Staff's review found three of the alleged filed C-3 and C-4 reports were filed without having any relevant mitigating factors or circumstances and included one C-4 reports that disclosed \$193.65 in expenditures for insurance and internet and two C-3 reports that disclosed \$666.97 in proceeds from a low-cost fundraising event and two individual donations totaling \$140. The C-3 and C-4 reports were filed between five and twelve days late.

Summary of PDC Case 44695

- The complaint included a December 9, 2018 announcement posted by the newly elected Chair, Kathy Orlando, on the Pierce County Democrats Facebook page entitled "your new PCDCC officers" as evidence of the allegation regarding failure to file an amendment to the C-1pc within ten days as required by law.
- On January 7, 2019, the Committee filed an amended C-1pc report disclosing the newly elected Committee officers for 2019 including the Chair, Vice-Chair, Treasurer and Secretary. The amended C-1pc report was filed 15 days late.

Based on staff's review, the alleged late and incomplete filed C-3 and C-4 reports cited in the two complaints were primarily caused by a Committee reorganization and changes in officers, but we noted that the Committee implemented additional internal controls to ensure compliance by creating an oversight committee, by conducting an internal audit, and additional training.

These steps were taken, in part, by the Pierce County Democratic Central Committee to comply with the provisions of the settlement agreement.

Based on these findings staff has determined that, in this instance, failure to timely and accurately file 19 filed C-3 and C-4 reports, including amendments, mostly disclosed little monetary activity, or were filed as a result of an internal audit process conducted by PCDCC, and therefore does not warrant further investigation or enforcement action.

Pursuant to WAC 390-37-060(1)(b), the PCDCC will receive a formal written warning concerning failure to timely and accurately file Monetary Contributions reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) disclosing contribution and expenditure activities and failure to timely file an amended Committee Registration (C-1pc report) disclosing material changes. The formal written warning will include staff's expectation that PCDCC timely file accurate and complete C-3, C-4 and C-1pc reports in future years in accordance with PDC laws and rules. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

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 Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by e-mail at jennifer.hansen@pdc.wa.gov.

Sincerely,

/s _____
Jennifer Hansen
Compliance Officer

Endorsed by,

/s _____
Peter Lavalley
Executive Director

cc: Pierce County Democratic Central Committee