



February 15, 2018

Micaiah Titus Ragins
Compliance Coordinator
Washington State Public Disclosure Commission
711 Capitol Way, Room 206
Olympia, WA 98504-0908
pdcc@pdcc.wa.gov

Re: Richland School District's Response to Roger Lenk's December 29, 2017 Complaint

Dear Sir or Madam:

This letter is in response to Mr. Lenk's complaint filed with the PDC on December 29, 2017. The Richland School District disagrees with the assertions by Mr. Lenk of a violation of RCW 42.17A.555. While the District appreciates Mr. Lenk's diligence in making sure his area school districts are compliant with the law, the District did nothing wrong.

Mr. Lenk's assertions, while prompted with the best of intentions, are incorrect. First, the video informing our community about state imposed changes to levy authority for school levies was part of the normal and regular activities by the Richland School District. District publications, web pages, press releases, and media stories routinely report on and cover the impact of legislative action on school operations. Moreover, state law and the PDC's own rules allow school districts to distribute fair and objective presentations explaining levies.

Second, Mr. Lenk uses quotes from e-mails written by Kennewick School District staff along with contract language written by a vendor of the Kennewick School District to argue that the Richland School District violated the law. Clearly an employee of the Kennewick School District does not speak for and cannot bind the Richland School District. Further, the contract was entered into by the Kennewick School District. Richland School District had no part in establishing the contract with the vendor and agreed only to reimburse Kennewick School District for a portion of the cost.

Finally, the reciprocal "Tri-Cities Gold Card" program was completely unrelated to the informational levy video or to any levy proposition or ballot measure. No levy information makes any reference to the Gold Card. No Gold Card information makes any reference to any levy.

I. Educating Our Community is Normal and Regular Conduct of the Richland School District.

This past June, the Washington State Legislature with HB 2242 made sweeping changes to education funding in Washington State. Those changes were described by the Tacoma News Tribune in a June 29, 2017 article as a “new two-year spending plan that involves a monumental shift in how Washington State pays for schools.” Later in the same article, it states that “lawmakers provided conflicting estimates about how much their budget would spend and how much the state’s property-tax rate would rise as a part of it.” Still further in the article, it stated that “the education plan included in the budget raises the statewide property tax, while reducing what school districts can raise through their local property-tax levies” but failed to provide any specifics.

In addition, an August 4, 2017 Seattle Times article had a headline that read, “School stats: Who gets how much under state’s new education budget? It’s not entirely clear yet.” And, an October 22, 2017 article in the Tacoma News Tribune is titled, “Is school funding fixed? That’s up for debate in front of the Supreme Court soon.” Clearly, even the media were not clear on the impacts of HB 2242 on school funding and school levies.

As area superintendents talked with school staff, district patrons, and even local legislators, it became clear to us there was a great deal of confusion within the community regarding the impact that HB 2242 would have on local school funding and levies. The superintendents discussed what needed to be done to make sure the community understood the “monumental” funding changes the Legislature had made in HB 2242 and how this would impact their taxes, both state and local, via the levy. This conversation happened during the local ESD 123 superintendent monthly meetings in Pasco (including the 23 superintendents represented by ESD 123).

It was against this backdrop of uncertainty about how the new legislation would change school funding and school levies that the superintendents discussed how they could educate the community about the dramatic changes occurring in school funding affecting both state property taxes and local school levy taxes. An idea that began to emerge was to jointly develop a Public Service Announcement (PSA) to explain the basics of what HB 2242 had done to raise state property taxes and reduce and cap local levy taxes for schools. The purpose was to inform the community as a whole about statewide changes affecting all area districts. At this point in time, none of the districts had yet determined what levy or levies they might propose to voters at a later time. There was no resolution, proposition, or ballot measure approved by any of the three school boards.

In each of our districts, the Levy rate for 2018 is over \$3.00 (Kennewick – \$3.35, Pasco - \$3.95, Richland - \$3.42). With HB 2242, beginning in 2019, the Legislature established a levy rate cap of \$1.50 for a local school levy (or no more than \$2,500 per student in some districts in western Washington). This is a monumental change for taxpayers, as their local levy taxes will be cut by more than half. However, before the reduction in local school levy rates begins in 2019, the state school property tax would increase a year earlier, in 2018. As superintendents talked with

community members, they were finding that there was much less publicity about the increased state property tax starting in 2018. There was genuine concern that voters would be confused by one tax going up significantly right away and another – the local school levy – coming down significantly but not until a year later. Thus, we determined that we needed to educate our citizens about the changes, and that doing it jointly would send a common message separated from any individual local levy proposal. Moreover, this would enable us to share costs, making the entire project less expensive for taxpayers.

The “Tri-Cities School Levy” was not a “campaign seeking approval of the proposed levies.” No ballot measure was mentioned. It was a PSA designed to educate the public about common, general changes in HB 2242 and the fact that state property taxes are going up while local levy taxes will go down. Nowhere in the PSA is there any advocacy for the passage of any particular levy proposition. In fact, the PSA advises viewers to go to each individual district’s website for information about upcoming levies. School boards for the three districts subsequently approved resolutions for district-specific Educational Programs and Operations levies and Technology levies. The PSA did not address those specific levy proposals.

Washington State law allows school districts to prepare and distribute information to the general public to explain the instructional programs, operation and maintenance of schools in the district. RCW 28A.320.090. This includes informing the community of the needs the district faces and needs students have that the community may not realize exist. Furthermore, WAC 390-05-271 provides that an agency can make objective and fair presentation of facts relevant to levies, if such action is part of the normal and regular conduct of the agency. The state has defined “normal and regular” to mean, “lawful, i.e., specifically authorized, either expressly or by necessary implication, in an appropriate enactment...” See WAC 390-05-273. Richland School District subsequently published its own informational pamphlet advising all residents of the purpose, content, and costs of two levy propositions to be placed on the February 13, 2018 ballot. This publication is consistent with PDC guidelines allowing for an objective and fair presentation of information about ballot measures.

At no time did the Richland School District or any of the other Districts distribute any of the EHB 2242 information as election advocacy. All of the information on the shared website, including in the informational video, centers around educating the community on the changes within EHB 2242. Although the website does state that the Districts will have levy propositions on the February ballot, the website does not discuss any of those propositions in detail. Simply put, the website is about EHB 2242. It is not about any of the Districts’ levy propositions. RCW 29A.17.555(1) does not apply. And even if information on the website is considered specific to the District’s levy proposition, it merely provides the election date. Providing election dates is a normal and regular practice of the District. See RCW 42.17A.555(3); WAC 390-05-273.

II. Language from Non-Richland School District Staff Used In Support of Assertions.

Mr. Lenk used statements from Kennewick School District employees and vendors of the Kennewick School District in support of his assertions against the Richland School District.

First Mr. Lenk uses language embedded within the agreement entered into between Kennewick School District and FocalPoint Marketing and Multimedia to support his assertions. Mr. Lenk wrote in his complaint, *“Integral to that agreement were the following statements solely related to the “The Tri-Cities School Levy” campaign seeking approval of the proposed levies:*

“This PSA campaign will serve to educate our community on the changes so that when the districts DO (emphasis in original) seek funding through future levies, they have a chance. (Emphasis added). The client has requested a “trusting voice”, perhaps someone that sounds like a concerned mother of school-age children.” (Emphasis added).

The language he cites is Focalpoint’s language, not language from the Kennewick School District. Even further removed from this contract is anyone with the Richland School District. The document Mr. Lenk quotes from is Focalpoint’s summary to their own staff of their interpretation of what Kennewick School District’s Communications Director Ms. Chastain wanted. It is not a document created by the Kennewick School District and certainly not one written by any member of the Richland School District.

Presumably, Ms. Chastain talked with Focalpoint to give them the general idea of the project and then Focalpoint sent a proposal to the Kennewick School District which Mr. Lenk cites. The fact that Focalpoint incorrectly understood the original proposal for the PSA is not proof of any ill intent by the Kennewick School District. At most, this shows only that Focalpoint initially and incorrectly interpreted a conversation between Ms. Chastain and one of their staff members.

Second, Mr. Lenk cites a November 2, 2017 email from Robyn Chastain in his complaint. Mr. Lenk is incorrect in his interpretation. Ms. Chastain had numerous conversations – some by phone and some by email - with Focalpoint Marketing regarding the PSA. Focalpoint originally sent a proposed draft script that began “Hey, Parents.” Ms. Chastain recognized that Focalpoint misunderstood purpose and focus for the PSA. The audience is all residents in the Tri-Cities and the focus is the different effects on property taxes. So, in subsequent phone conversations as well as the email cited above, Ms. Chastain attempted to communicate to Focalpoint via the email that the PSA was to a broader group. Indeed, the final PSA was distributed to all residents in the Tri-Cities area.

In the final script, and the version on the television and website, the greeting is as follows:

Narrator: Okay taxpayers in the Tri-Cities, listen up – this might be the most important thing you hear today.

The script references “taxpayers” only because the major focus is the legislated changes to local and state taxes. The audience is still all residents. Thus, Mr. Lenk’s accusation is without merit.

Third, Mr. Lenk used the following quote from Ms. Chastain to support his assertions, “We know that parents don’t vote. It’s the senior citizens that keep us in business.” This quote came from one of Ms. Chastain’s e-mails and it was not sent to or received by the Richland School District. If she represented anyone, she represented the Kennewick School District. She did not represent the Richland School District with this statement.

Furthermore, in a November 29, 2017, Ms. Chastain used the phrase, “Levy Changes Campaign Website – Please Review” in the subject line of her e-mail to the area superintendents and other Communication Directors. Also in the body of her e-mail she wrote, “Here is a draft of the website that is part of the levy changes campaign.” Richland School District Superintendent Dr. Rick Schulte responded to the e-mail on November 30, 2017 by stating, “Here’s another thought regarding the Subject line in the email string below. Specifically, we should avoid the reference to this as a “campaign” website. This needs to be a public service, informational outreach. It can’t be a “campaign” for support related to a proposition on a ballot in an election, which would run afoul of PDC rules. Even though the word “campaign” is used only in the email, and even though the web site is informational only, we have to be consistent and diligent to avoid any unintended rule-breaking.” **Exhibit A.**

Mr. Lenk separately makes a passing reference to a hypothetical survey conducted by Richland School District. No such survey was conducted. The Delta Superintendent meeting minutes referring to feedback from a parent in Richland were spontaneous, unsolicited comments from viewers of a final version of the PSA. There has been no survey.

This demonstrates the true intent by the Richland School District to create and distribute an objective and fair presentation of the facts to the entire tri-cities community. The Richland School District intended the video and website to be informational.

III. The District’s Passing of the “Tri-Cities Area Reciprocal Senior Gold Card” Policy was Completely Unrelated to the Informational Video.

Mr. Lenk cited two different sections of Minutes from meetings among the Kennewick, Pasco, and Richland superintendents that he believes show a violation of PDC rules, and this is regarding the districts’ Gold Card programs. He cites a *November 3, 2017, set of minutes that includes the following:*

“Tri-Cities Area Reciprocal Senior Gold Card. *All are in favor of having a gold card that can be used in all three districts. Richland and Kennewick have policies that would need to be tweaked. Pasco has a practice of issuing gold cards as well. Michelle will check to see if Pasco has a policy. Dave will send some potential language to the other districts.”*

Later, he cites a December 1, 2017, set of minutes that includes the following:

Tri-Cities Area Reciprocal Senior Gold Card. *Dave handed out the sample policies and gold card mock-ups. Rick will be talking to his Board Chairman on Tuesday and will inquire about adding this item to a December agenda. If Richland is ready to move forward, Kennewick will present it on December 13, and Pasco will determine when it wants to move forward.”*

Gold Cards are authorized by RCW 28A.325.010 and the law allowing them has been around since 1977. The action by the Richland School District to expand the Gold Card program has nothing to do with the levy.

RCW 28A.325.010

Fees for optional noncredit extracurricular events—Disposition.

*The board of directors of any common school district may establish and collect a fee from students and nonstudents as a condition to their attendance at any optional noncredit extracurricular event of the district which is of a cultural, social, recreational, or athletic nature: PROVIDED, That in so establishing such fee or fees, **the district** shall adopt regulations for waiving and reducing such fees in the cases of those students whose families, by reason of their low income, would have difficulty in paying the entire amount of such fees and **may likewise waive or reduce such fees for nonstudents of the age of sixty-five or over who, by reason of their low income, would have difficulty in paying the entire amount of such fees.** An optional comprehensive fee may be established and collected for any combination or all of such events or, in the alternative, a fee may be established and collected as a condition to attendance at any single event. Fees collected pursuant to this section shall be deposited in the associated student body program fund of the school district, and may be expended to defray the costs of optional noncredit extracurricular events of such a cultural, social, recreational, or athletic nature, or to otherwise support the activities and programs of associated student bodies. (Emphasis added)*

The Tri-Cities Community is a small one. Often families and especially extended family can be spread out over the three cities. Therefore an expansion to the Gold Card program extending the meaning of “resident” to encompass all three school districts was suggested. The three Superintendents discussed the changes as a group. The Superintendents then discussed the suggested changes with their administration, employees and other stakeholders. Finally, each Superintendent took the proposed changes to their respective school board for consideration during an open public meeting. There was never any discussion of any connection between levies and gold Cards.

On January 9, 2018, Dr. Rick Schulte presented the changes to Gold Card Policy to the Richland School Board. **Exhibit B.** His memorandum to the school board read in part:

Richland’s Policy 4222 allows the District to issue Gold Cards to senior citizens who are Richland School District residents, aged 65 and over, “fully retired,” and “low income.” The Gold Card entitles the senior citizen to attend school events in the district where they reside, free of charge. The Richland Gold Card is printed in blue and contains the wording, “This card admits holder to all student body sponsored plays, concerts, and athletic contests provided that the event is not already sold out. Not valid for tournaments and playoffs. Not transferable.” Pasco and Kennewick have the same or similar policies.

Our districts have occasionally had senior citizens who are residents of one of the districts but have grandchildren in a different district who would like to use the Gold Card to obtain free admission to school events in their grandchildren’s district.

Gold cards are not designed to influence older voters. The legislature passed the law allowing them and they are common among many school districts throughout the state. The purpose of granting senior citizens free access to school events is to encourage their participation and attendance at those events. Providing free access recognizes the limited and fixed income experienced by many senior citizens. The reason for the Gold Card is the same as the reason many businesses give Senior Discounts. This is the same reason the legislature provides for exemption from school property taxes for low income senior citizens. We do events all the time for our senior citizens. We have grandparents' day in our elementary schools, for example, and we make them feel welcome and a part of the school.

Again, while the Richland School District appreciate the diligence by Mr. Lenk, it requests this complaint be dismissed with no further action. WAC 390-37-070 allows for claims to be dismissed by the executive director when "the respondent is in substantial compliance" or "formal enforcement action is not warranted." For all of Mr. Lenk's claims against the Richland School District, enforcement action is not warranted and the Richland School District is in complaint with the law.

Sincerely,

A handwritten signature in cursive script that reads "Richard J. Schulte".

Rick Schulte
Superintendent
Richland School District

Rick Schulte

From: Rick Schulte <Rick.Schulte@rsd.edu>
Sent: Thursday, November 30, 2017 2:51 PM
To: Robyn Chastain
Cc: Steve Aagaard; Dave Bond (dave.bond@ksd.org); Shane P. Edinger; Michelle I. Whitney
Subject: RE: Levy Web Site Changes

I used this last night at a PTA and principal forum. It was well received by this very supportive group. As you might expect, the main input from these people was, "We don't care about the tax or the cost. We care about good schools. Tell us how good our schools are and how the levy makes our schools good. Or how losing the levy will make our schools less good."

That's consistent with my theory that voters support levies for good schools and voters oppose levies because they don't like taxes. Those are two different groups with different interests and priorities.

Here's another thought regarding the Subject line in the email string below. Specifically, we should avoid the reference to this as a "campaign" website. This needs to be a public service, informational outreach. It can't be a "campaign" for support related to a proposition on a ballot in an election, which would run afoul of PDC rules. Even though the word "campaign" is used only in the email, and even though the web site is informational only, we have to be consistent and diligent to avoid any unintended rule-breaking.

Rick

Dr. Rick Schulte, Superintendent
 Richland School District
 615 Snow Ave.
 Richland, WA 99352
Rick.Schulte@rsd.edu
 (509) 967-6027



From: Robyn Chastain [mailto:robyn.chastain@ksd.org]
Sent: Wednesday, November 29, 2017 2:37 PM
To: Rick Schulte <Rick.Schulte@rsd.edu>
Subject: RE: Levy Web Site Changes

Changes have been made:
<http://waschoollevy.org/>

Robyn Chastain
 Director of Communications and Public Relations
 Kennewick School District

(509) 222-7424
www.ksd.org

From: Rick Schulte [<mailto:Rick.Schulte@rsd.edu>]
Sent: Wednesday, November 29, 2017 1:14 PM
To: Robyn Chastain <robyn.chastain@ksd.org>; Steve Aagaard <Steve.Aagaard@rsd.edu>; Shane P. Edinger <SEdinger@psd1.org>; mwhitney@psd1.org; Dave Bond <dave.bond@ksd.org>
Subject: RE: Levy Changes Campaign Website - Please Review

I have a few thoughts – I gave this reply to the 90-sec. video and it was meant for the website.

The video says that local property tax rates are going down. It does not say that we will collect fewer levy dollars, which may be implied but should perhaps be stated explicitly?

The reason for a 4-year levy might also include reference to the new requirement that school districts must have 4-year budget plans. Longer-range planning promotes sustainable staffing, program, and budget decisions.

Rick

Dr. Rick Schulte, Superintendent
Richland School District
615 Snow Ave.
Richland, WA 99352
Rick.Schulte@rsd.edu
(509) 967-6027



From: Robyn Chastain [<mailto:robyn.chastain@ksd.org>]
Sent: Wednesday, November 29, 2017 9:44 AM
To: Steve Aagaard <Steve.Aagaard@rsd.edu>; Rick Schulte <Rick.Schulte@rsd.edu>; Shane P. Edinger <SEdinger@psd1.org>; mwhitney@psd1.org; Dave Bond <dave.bond@ksd.org>
Subject: Levy Changes Campaign Website - Please Review

Here is a draft of the website that is part of the levy changes campaign. Please review and let me know if you have any changes. We can add any FAQs that you have in mind.

<http://waschoollevy.org/>

Once the text is finalized, we will add the translation and link at the top to the Spanish page option.

We expect to get the draft of the 90-second video later today and will be changing out the 30-second version on the website with the more comprehensive version once approved.

Robyn Chastain
Director of Communications and Public Relations
Kennewick School District

(509) 222-7424

www.ksd.org

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Educating Every Student for Success

BOARD AGENDA DETAIL

January 9, 2018

**PRIORITY GOAL: Expand Student Learning for All,
While Reducing the Income-Based Achievement Gap**

AGENDA ITEM: Policy No. 4222-Citizen Gold Card

PURPOSE: Second Reading

DOCUMENTS: Memo-Dr. Schulte-Page 1
Draft Policy No. 4222-Citizen Gold Card-Page 2

FROM: Rick Schulte, Superintendent



Memorandum

Date: January 9, 2018
To: Board of Directors
From: Dr. Rick Schulte
Subject: Policy No. 4222-Citizen Gold Card

Richland's Policy 4222 allows the District to issue Gold Cards to senior citizens who are Richland School District residents, aged 65 and over, "fully retired," and "low income." The Gold Card entitles the senior citizen to attend school events in the district where they reside, free of charge. The Richland Gold Card is printed in blue and contains the wording, "This card admits holder to all student body sponsored plays, concerts, and athletic contests provided that the event is not already sold out. Not valid for tournaments and playoffs. Not transferable." Pasco and Kennewick have the same or similar policies.

Our districts have occasionally had senior citizens who are residents of one of the districts but have grandchildren in a different district who would like to use the Gold Card to obtain free admission to school events in their grandchildren's district.

The three superintendents for RSD, PSD, and KSD support a reciprocal Gold Card allowing a senior citizen residing in any of the three districts free admission to school events in any of the three districts. The Pasco School Board has this as an agenda item at its December 12 board meeting. The Kennewick School Board will have it as an agenda item at its December 13 board meeting.

I have reviewed this idea with Galt Pettett and Todd Baddley. We doubt that granting this Gold Card would have a serious detrimental effect on gate receipts for school events that charge admission. Some concern was expressed specifically about access to the Hanford musical performances which are always sold out. Gold Card holders from any of the three districts could use those cards for tickets to the Hanford musicals, but only if there are tickets still available, on a first-come, first-served basis.

The proposed policy change also deletes the requirements that the senior citizen must be "fully retired" and "low income." Those requirements have never been defined but have been implemented simply by having an applicant check a box on the application form. I don't believe it should be necessary for a senior citizen to certify that they are low income or fully retired, a declaration that some might find embarrassing. On the other hand, as a qualifying senior citizen myself, I am more than capable and willing to pay entry fees to school events and intend to pay admission in order to support student events.

I have attached a revised Board Policy 4222 for the board's consideration. If the board approves, I will work with Pasco and Kennewick to prepare common procedures for implementing the new cards.

Policy 4222

COMMUNITY RELATIONS

Tri-Cities Senior Citizens' Gold Card

Upon completion of the required application form and meeting the criteria of being a resident of the Kennewick, Pasco, or Richland school districts and sixty-five years of age or older the recipient may be admitted free to all school district and Associated Student Body public-sponsored events of a cultural, social, recreational, or athletic nature.

Legal Reference: [RCW 28A.325.010](#)

RSD No. 400

Adopted: January 9, 2007

Revised: December 5, 2017

Adopted: January 9, 2018