



**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: pdcc@pdcc.wa.gov • Website: www.pdca.wa.gov

February 28, 2019

Delivered electronically to Roger Burton at Chair@1STLDDEMS.ORG

Subject: Complaint filed by Glen Morgan, PDC Case 28018

Dear Mr. Burton:

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

As noted below in the letter sent to Mr. 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, PDC staff is reminding the Committee about the importance of filing timely and accurate C-3 and C-4 reports disclosing contribution and expenditure activities undertaken by the Committee, including expenditures for debt, and the importance of properly reporting the purpose of expenditures, as required by RCW 42.17A.240, WAC 390-16-037 and WAC 390-16-205.

If you have questions, you may contact Erick Agina at (360) 586-2869, toll-free at 1-877-601-2828, or by e-mail at erick.agina@pdcc.wa.gov.

Sincerely,

Endorsed by:

s/_____
Erick Agina, Compliance Officer

s/_____
BG Sandahl, Deputy Director
For Peter Lavalley, Executive Director



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February 28, 2019

Delivered electronically to Glen Morgan at glen@wethegoverned.com

Subject: Complaint regarding the 1st District Democrats, PDC Case 28018

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on November 22, 2017. Your complaint alleged that the 1st District Democrats (Committee), a Continuing Bona Fide Political Party Committee, may have violated RCW 42.17A.235 and 42.17A.240: (1) by failing to timely and accurately file C-3 and C-4 reports; (2) by failing to properly report the purpose of expenditures; and (3) by failing to timely and accurately report debt.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the applicable C-3 and C-4 reports filed by the Committee; and the response provided by the Committee.

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

- On February 12, 2016, the Committee filed a Political Committee Registration (C-1pc report), selecting the Full Reporting Option and listing Dan Willner and Cheryl Stanford as Treasurer and Campaign Manager, respectively.
- On January 18, 2018, the Committee filed an amended C-1pc, selecting the Full Reporting Option and listing Ken Lapp and Roger Burton as treasurer and campaign manager, respectively.

Allegation one: Failure to timely file C-3 and C-4 reports.

- PDC staff reviewed the 21 C-3 and C-4 reports included with your complaint in a spreadsheet. Staff found that seven of the alleged late-filed reports were filed between one and ten days late. For the remaining 14 alleged late-filed C-3 and C-4 reports, seven were amended reports correcting minor reporting issues from previously filed reports that were filed less than 30 days late and two were filed timely. The remaining five reports,

accounting for \$2,208 in contributions and \$1,862 in expenditures, were filed between 38 and 69 days late.

- In its response to this allegation, the Committee stated they experienced technical difficulties, stating, "...after receiving an incorrect new filer ID from PDC. We later discovered that there was a problem with the password that prevented us from filing online forms. The PDC corrected the password problem after corresponding with us through email from March 1 – March 8."

Allegation Two: Failure to timely and accurately report debt.

- PDC staff reviewed the 20 alleged unreported debts you attached in the spreadsheet. Except for item 18 for payment made to "Capitol City Press" for sample ballot printing on August 7, 2016, for \$750.27, staff found that most of the orders were paid at the time the orders were placed or when the Committee became aware of the debt. Additionally, some of the alleged debts were expenditures that were donations made voluntarily by the Committee, and were not owed to the recipients of the expenditures.
- According to the Committee's response, the donation made to the Snohomish County Democrats on February 22, 2016, for \$300 was "a voluntary donation for organizational party building to the Snohomish County Democrats, not a debt nor a contractual obligation." The same is true for the donation made to the King County Democrats on the same day for \$300.

Allegation Three: Failure to properly breakdown expenses by correctly reporting the purpose of expenditures.

- Staff reviewed the description of the payments made to the 14 vendors in your spreadsheet. Staff found that one payment for \$72.68 was paid to Roberta Sherman on January 1, 2016, for food supplied to the Committee for "meeting food" and another one for printing at Fedex Kinkos on August 9, 2016, for \$5.27. The remaining 12 expenses/payments lacked the proper description(s) or additional information as required by RCW 42.17A.240, WAC 390-16-037 and WAC 390-16-205.

As noted above, several allegations listed in your complaint concerned information disclosed on the C-3 and C-4 reports filed by the Committee. Staff's review of the C-3 and C-4 reports, the response from the Committee's officers and the technical glitches experienced by the Committee volunteer treasurers during the election cycles in question, indicated that the Committee made a good faith effort to comply with the reporting requirements as best as they could at the time.

Staff noted that there were expenditures made by the Committee either to a vendor or consultant for which a more detailed explanation or description should have been provided. However, those shortcomings are mitigated by the fact that the Committee: (1) utilized volunteer treasurers; (2) experienced technical difficulties with the ORCA System; and (3) has no prior violations.

Based on these findings staff has determined that, in this instance, the failure to file timely and accurate C-3 and C-4 reports, including expenditures for debt, and the failure to properly report the purpose of expenditures, does not amount to actual violations warranting further investigation. However, staff is reminding the Committee about the importance of filing timely and accurate C-3

and C-4 reports disclosing contribution and expenditure activities undertaken by the Committee, including expenditures for debt, and the importance of properly reporting the purpose of expenditures, as required by RCW 42.17A.240, WAC 390-16-037 and WAC 390-16-205.

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 Erick Agina at 360-586-2869, toll-free at 1-877-601-2828, or by e-mail at erick.agina@pdc.wa.gov

Sincerely,

Endorsed by,

s/_____
Erick Agina, Compliance Officer

s/_____
BG Sandahl, Deputy Director
For Peter Lavalley, Executive Director

cc: Roger Burton, Chairman
1st District Democrats

