


COWLITZ COUNTY DEMOCRATIC CENTRAL COMMITTEE

November 17, 2017

Tony Perkins
Washington State Attorney General's Office
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RE: Cowlitz County Democratic Central Committee, Alleged Violations of RCW 42.17A.235, RCW 42.17A.240, RCW 42.17A.750, WAC 390-05-295, WAC 390-16-205, WAC 390-16-037 on October 13, 2017 complaint of Glen Morgan

Dear Mr. Perkins,

On Friday, October 13, 2017 a formal complaint was filed with the Public Disclosure Commission (PDC) by Glen Morgan. Mr. Morgan alleges that the Cowlitz County Democratic Central Committee (CCDCC) habitually and willfully committed frequent and multiple violations of **RCW 42.17 A**. We have reviewed the complaint and our responses to each allegation are stated below.

We find that Mr. Morgan's complaints highlight minor errors and infractions to be addressed by the PDC in a constructive and meaningful way. CCDCC does not believe the extent of the actions it allegedly took would justify anything imposing any sort of penalty beyond such a course of action.

We believe that referral to the PDC is the only way for your office to ensure that the purposes of the Fair Campaign Practices Act ("FCPA") are fairly and properly effectuated. In this way, CCDCC may formally resolve these issues with the PDC and the State of Washington. We do not believe this will occur if Mr. Morgan takes action on behalf of the State.

We address the specific claims that were made against CCDCC by Mr. Morgan as follows:

A. Habitually and willfully committed frequent and multiple violations of RCW 42.17A:

- I. **Minimal errors in reporting prepared by a non-professional volunteer are not willful or habitual.**

Committed volunteers serve as the officers for CCDCC and these volunteers have a variety of educational and professional experience. Our Treasurer, Melissa Thompson, thoughtfully provides accurate and timely information in her various functions for the organization. We see that she has had only a few errors in her time as Treasurer and the majority of her reports follow regulations. The specifics noted in Mr. Morgan's complaint are minimal and our research indicates that the filings for the CCDCC for the period examined reflect a relatively high standard for timeliness and accuracy considering that they are prepared by a non-professional volunteer. Any oversights or errors appear to be occasional and innocent and not willful or habitual.

B. Failure to file accurate and timely C3 and C4 reports (Violation of RCW 42.17A.235).

- I. **Exhibit A includes errors of Mr. Morgan and minor errors by CCDCC. But, indicates mostly frequent and accurate filings by CCDCC.**

Without conceding to Mr. Morgan's allegations, an examination of **Exhibit A** indicates that items #2 and #11 are erroneously included as violations in Mr. Morgan's complaint. Item #2 is an amended complaint and the date of the amendment is reflected on this report. The original filing was on time. Item #11's proper reporting date was June 12, 2017 and that was the day the report was filed. Items #7, #9, #10, #11, #12, #13, #14 and #15 of **Exhibit A** are examples of clerical errors for filings which occurred less than one week late. Items #3, #4, and #5 were filings delayed due to the Treasurer researching addresses and employer information in order to include this detailed information in the filings. And, items #6 and #8 were the result of a delay between fundraising software reporting and bank deposits. Our position is that everything noted on **Exhibit A** illustrates that our Treasurer deeply cares about the quality of what she is doing, files frequent and accurate reports, and researches and corrects any errors she finds as she goes along.

C. Failure to accurately, timely report debt. (Violation of RCW 42.17A.240 (8) see WAC 390-05-295).

- I. **Exhibit B lists expenditures and not debts and thus Mr. Morgan's complaint is unfounded.**

In examining **Exhibit B**, we find that Mr. Morgan erroneously determined item numbers #1 #2, #3, #4, #6, #7, #8 and #9 as 'debt' when they were actually 'expenditures', paid as the expenses arose and reported subsequent to being made. Items #1 and #9 with Summerland Catering and the Cowlitz Regional Conference Center were for events which were paid once the event was completed and an invoice was produced. Item #1 was paid on the actual day of the event and item #9 was paid the day after the event. As related to item #5 for two months of office space, the Treasurer was notified of this expense via email on August 16, 2017 while on vacation (vacation August 7 through August 28, 2016). Once she returned, she paid for the entire space rental for two months at one time on August 30th, 2016. All of these items conform to the definition of 'expenditures,' rather than 'debt' under RCW 42.17A.005 (20):

“Expenditure” includes a payment, contribution, subscription, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure.

None of the items listed in Exhibit B indicate that the CCDCC could predict how much an expenditure might be in advance and list it as a future expense, or debt. CCDCC paid expenses in a timely fashion, made their best efforts to report the expenditures, and Mr. Morgan’s complaint is unfounded or highlights very minor periods of time where an expense existed before payment and should be planned on for the future.

D. Failure to properly break down and describe expenses (Violation of RCW 42.17A.235, see WAC 390-16-205, WAC 390-16-037).

I. Exhibit C includes an error of Mr. Morgan and proper details have been added to all other items.

An examination of **Exhibit C** indicates that item #1 is an error on the part of Mr. Morgan because the vendor has no sub-vendor, as the payee is the actual owner of the building rented for two months. All other items on this list were timely reported with no intent to prevent public discovery of the expenses. Though Mr. Morgan cites some instances where the CCDCC did not break down expenses to a degree that Mr. Morgan would have found suitable, they have since been audited and carefully amended with the proper details. We have implemented new deadlines for providing this information to our Treasurer going forward so this does not happen in the future. Mr. Morgan has identified a minor procedural issue here (if anything) and nothing more.

Conclusion

II. Mr. Morgan’s complaint highlights minor and unintended clerical errors which will be rectified with training and tightened procedures going forward.

On behalf of the Cowlitz County Democratic Central Committee, we appreciate the opportunity to respond to Mr. Morgan’s allegations. We take our duty to report with accuracy and transparency very seriously and our thoughtful examination of Mr. Morgan’s exhibits illustrate minor errors with no ill intent. No malicious actions have taken place and we see no grounds for the criminal prosecution that Mr. Morgan is seeking. We believe that our future procedures can be improved with further training for our Treasurer, a back-up Treasurer, and future Treasurers. And, we’ve raised the awareness and tightened procedures for providing specific detail to the Treasurer when handling expenses for the organization in the future.

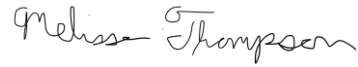
However, for the foregoing reasons, we believe that it would be appropriate for the AG’s office to refer this matter to the PDC for their review. This approach would ensure that the purposes of the FCPA would be upheld in the most appropriate and straight-forward way possible. We respectfully ask your office to so conclude.

If you have any questions, or if there is anything we can do to be of assistance to you, please do not hesitate to contact us.

Sincerely,



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