

Elect Monica Stonier
PO Box 668
Vancouver WA 98666

September 26, 2017

Public Disclosure Commission
PO Box 40908
Olympia WA 98504
pdc@pdc.wa.gov

WA Attorney General's Office
Tony Perkins
TonyP@atg.wa.gov

Re: Alleged violations of RCW 42.17A.235, .240 by Glen Morgan

To Whom It May Concern:

The Elect Monica Stonier campaign received an email from the Attorney General's office on September 18th and an email from the WA Public Disclosure Commission office on September 20th, both requesting a response to a complaint filed by Glen Morgan. Thank you for the opportunity to respond to the allegations put forth by Mr. Morgan.

First off, we would like to point out that the complaints have been filed against Representative Stonier's 2016 campaign for the State Representative in the 49th Legislative. However, much of the "evidence" cited was pulled from Rep. Stonier's 2014 campaign for State Representative in the 17th District. The 2014 campaign committee was not successful and Rep. Stonier lost that seat. The 2014 campaign filed a final report, the campaign committee has ceased to function and has dissolved, and the duties of the treasurer have ceased. According to RCW 42.17A.765, "citizen action may be brought only if: (iv) The citizen's action is filed within two years after the date when the alleged violation occurred." We request that all the data provided by Mr. Morgan dated before 2015 and relating to the 2014 campaign be dismissed immediately.

The Stonier campaign staff and treasurer always strive to report accurately and on time to meet the purpose and intent of the Public Disclosure Commission which is to provide meaningful public access to accurate information about the financing of political campaigns.

We will respond to each complaint separately.

**1) Failure to file accurate, timely C3 and C4 reports.
Reference Exhibit A.**

Per RCW 42.17A.765, we ask that the eight contributions listed from 2014 in Exhibit A be dismissed immediately.

The remainder of the “late” contributions listed amount to 17 contributions found on 13 C3 reports. Three of those reports were not late, but filed on the day following the 4th of July holiday as allowed by PDC. The Stonier campaign filed over 160 C3 reports for this race totaling over \$143,000. The 10 late reports amount to a total of \$2,437. This shows that the public was well informed even though these dates were missed. All of the missed dates were from the “Monday” or weekly filings rather than the “month end” filings which began on June 1. Mr. Morgan chose to start his research with the June 1 date as it is more likely to uncover errors due to the increased workload.

The treasurer accepts responsibility for the 10 late C3 reports as she missed the reminder notice regarding the weekly filing schedule from PDC. That is not an excuse, but hopefully an acceptable error considering that the donations were mostly electronic deposits and are usually reported as they hit the bank account rather than from the pledge made 3-4 days earlier online.

Reference Exhibit B.

Again, per RCW 42.17A.765, we ask that the 56 expenditures listed from 2014 (on four C4 reports) in Exhibit B be dismissed immediately along with two items listed dated 2017 for the 2018 campaign.

After removing line items from Exhibit B that are not part of the 2016 campaign, the total dollar amount in the accusation is \$9,000 rather than \$148,000 that appears to be reported late.

Of the three C4 reports listed in the complaint, two were reported on time and later amended. Mr. Morgan chooses to confuse the situation by not listing the Amended report dates. Report 100677779 was originally filed on 12/9/15 and amended first on 1/10/16 and again on 2/9/16 as allowed and required by PDC as new information is received. Report 100677780 was originally filed on 1/10/16 and amended on 2/9/16 to reflect the changes produced by the amendment of the previous report mentioned above.

The third report, 100701489, was due on a Friday. It was filed on the following Sunday, two days late but before the beginning of the following business week. This was an error on the part of the treasurer.

2) Failure to accurately, timely report debt. Reference Exhibit C

Again, per RCW 42.17A.765, we ask that the nine expenditures listed from 2014 and the one expenditure listed for 2018 in Exhibit C be dismissed immediately.

I would argue that Mr. Morgan has made a mockery of this law with his long list of items that he says should have been reported as debt. Of the 68 items listed for 2016, all but nine were reported correctly.

Items that were listed incorrectly include payroll and payroll tax payments to the vendor, Paychex. Payroll cannot be called a debt until the hours have been worked. Reporting every pay period in advance would create extraordinary and excessive work to report each item on one day as debt and the next day as paid. Unless it is determined by PDC that this is expected, we will continue to report payroll in the month the work is performed and paid for.

Other incorrectly included items were purchased and paid for in the same month or were pre-payments for future mailers or events. All are marked on the attachment.

There were nine included items that were ordered during the previous reporting periods and could by estimating the costs been reported as debt.

Consultant (WinPower) invoices have previously been paid and then reported. We have had discussion with the consultant today to create a process where the treasurer, who is ministerial only, can be aware of orders placed, estimated costs, and expected delivery dates so that debt can be reported as required.

3) Failure to properly break down expenses. Reference Exhibit D

The treasurer did not realize that subvendor names were required when a description of what was being purchased was supplied. The majority of invoices received in the past have not listed subvendors. Steps have been taken to improve the invoice language for future reporting. The descriptions supplied are accurate.

One of the items listed by Mr. Morgan does include the subvendor on line 3 of Exhibit D. GoPhones is the brand name of the item purchased by WEA, and is the name of the online vendor.

If required, we will amend the 2016 reports to reflect subvendors. Research has been done and shown on Exhibit D. All future reporting will include descriptions of what is being purchased along with subvendor information as required by law and by PDC.

CONCLUSION: Mr. Morgan is correct that some mistakes were made although there is no evidence that these errors were made maliciously or with intent to fool or confuse the public. All income and expenses were reported with as much information as was available at the time of the reports. In some cases, amendments were filed to correct any missing information. The complaints overall reference minor mistakes that had no impact on the outcome of the race or changed the final income and expense numbers for the campaign. We hope that the fact that the majority of Rep. Stonier's filings have been on time, complete, and without errors will have some bearing on your review.

We strive to achieve complete compliance with all reporting requirements and will take best practice steps to ensure this is done by working closely with PDC, reviewing all training materials available, and requiring more information from our consultant as noted above.

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

Sincerely,

Marsha Manning, Treasurer
Elect Monica Stonier