



State of Washington
PUBLIC DISCLOSURE COMMISSION

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October 11, 2023

Sent electronically to Judy Wilson, Treasurer North Thurston Citizens for Schools PAC

Subject: Complaints filed against North Thurston Citizens for Schools PAC, PDC Case 140433

Judy Wilson:

Enclosed is a copy of an electronic letter concerning the three separate complaints filed by Glen Morgan against the North Thurston Citizens for Schools PAC (Committee). The complaints alleged violations of RCW 42.17A.235 and .240 for failure to timely and accurately file contribution and expenditure reports for the period 2018 to present, including accurately disclosing the in-kind contributions received by the Committee in 2018 and 2019 for the “Penny Raffle” such as the contributor names and addresses.

PDC staff did not find evidence of violations that would require conducting a more formal investigation into the complaint or pursuing further enforcement action in this instance.

In accordance with WAC 390-37-060(1)(d), PDC staff is issuing a formal written warning to the North Thurston Citizens for Schools PAC concerning the requirement to timely and accurately file C-3 and C-4 reports in the future. This warning includes the requirement for the Committee to properly enter the contribution and expenditure information into the ORCA program for all future activities, especially for the contributor names and addresses for the in-kind contributions received for the Penny Auction, should you decide to conduct one in the future, and to properly maintain the Committee books of accounts. The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws and rules.

If you have questions, please contact PDC Compliance Officer Kurt Young by e-mail.

Sincerely,

Endorsed by,

/s

Electronically Signed Kurt Young
Compliance Officer

/s

Electronically Signed Peter Lavalley, PDC Executive
Director



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October 11, 2023

Sent electronically to Glen Morgan

Subject: Complaint filed against North Thurston Citizens for Schools PAC, PDC Case 140433

Glen Morgan:

Public Disclosure Commission (PDC) staff has completed its review of three complaints you filed against the North Thurston Citizens for Schools PAC on July 18, 2023, August 4, 2023, and on August 11, 2023, respectively. Specifically, the three complaints alleged that the North Thurston Citizens for Schools PAC violated: (1) RCW 42.17A.235 and .240 by failing to timely and accurately file contribution and expenditure reports for committee activities that occurred between 2018 to present; and (2) RCW 42.17A.240 for failure to properly and accurately file Schedule B to C-4 reports for December of 2018 and 2019, disclosing a number of in-kind contributions received for the 2018 and 2019 annual Penny Auction fundraisers.

PDC staff reviewed the allegations listed in the three complaints; the applicable statutes, rules, and the local committee reporting requirements; the Monetary Contributions reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) filed by the North Thurston Citizens for Schools PAC (Committee) for calendar years 2018 to present; and the email exchanges between Judy Wilson, Treasurer for the Committee, and PDC staff, to determine whether the record supports a finding of one or more violations. Based on staff's review, we found the following:

- On March 17, 2016, the Committee filed a Committee Registration with the PDC declaring support for a 2020 North Thurston School District levy/bond election, listing "date to be determined", selecting the Full Reporting option, and listing Judy Wilson, as Treasurer, Ruth Weigelt, as Committee Manager, and Cynthia Coble, as Committee Secretary.
- On November 18, 2020, and again on April 3, 2023, the Committee filed Committee Registrations with the PDC declaring support for a November 2024, North Thurston School District levy/bond election, selecting the Full Reporting option, and listing Judy Wilson, as Treasurer, Ruth Weigelt, as Committee Chair, and Cynthia Coble, as Secretary.
- On August 16, 2023, Ms. Wilson submitted a response to the first two complaints stating the allegations concerning the Committee's in-kind contribution details for the 2018 and 2019 annual fundraiser. She stated that in between the school district levy/bond election every four years, the Committee conducts two fundraising events every year, the Penny Auction in December, and a Golf Tournament in May. She stated that the proceeds from the two events are deposited into the Committee bank account, and since the Committee does not have many expenditures except for when the election is held, no additional funds are necessary.

- Ms. Wilson stated that the fundraiser is called a “Penny Auction” because the items are not actually auctioned off; they are won by a “drawing” where the attendees purchase tickets from the Committee and the tickets are placed “in bags next to the items they hope to win.” She stated the “Penny Auction” items are donated by North Thurston School District teachers, administrators, staff, or volunteers from the various schools in the district. She noted that the complainant raised two issues concerning the fundraiser that included: (1) the actual contributors for the 2018 and 2019 Penny Auction items were not named individually; and (2) the addresses listed on the 2018 and 2019 Schedule B to C-4 reports disclosing the in-kind contributors were for the North Thurston School that the contributors were employed at or aligned with.
- Ms. Wilson stated the use of the North Thurston “school’s address is my mistake” and added that the C-4 form requires an address for each contributor and “since the individual person or persons was not available to me, I inadvertently used the address of the school they were from.” Noting that the complaint alleged the in-kind contributions came from the use of North Thurston School District funds, Ms. Wilson stated that while the Committee did not have a list of the 2018 individuals who donated items to the raffle, she confirmed “the items did not come from district/school funds.”
- Ms. Wilson stated that while she was reviewing the donation slips that the Committee had been using for the Penny Auction, she noticed that the donation slips needed “to be updated to request the actual donors and their addresses.” She stated that this will be done before the next Penny Auction which will be held in December of 2023. She stated that she is on her third computer for the Committee Treasury work, just since 2018.
- Ms. Wilson stated that PDC staff had requested that the Committee attempt to determine who the actual donors were for the 2018 and 2019 Penny Auctions. She stated that she did not find the 2018 Penny Auction donor slips, but that she had located the 2019 donor slips, although unfortunately the 2019 donor slips did not have names associated with it, but it did have the contributors’ email addresses. She stated that she went through the “tedious process” of identifying and in some instances contacting the individuals by email to determine their complete name and/or addresses. She noted that took quite a bit of her time to obtain most of the 2019 contributor information and added she hopes “to resolve this issue and improve our process so it does not occur in the future.”
- PDC staff’s review of the 2019 Penny Auction spreadsheet that was re-created by Ms. Wilson and submitted by the Committee, which indicated that Ms. Wilson was able to identify 43 individuals or organizations and their corresponding addresses out of the 56 total in-kind contributors received in 2019. Ms. Wilson was not able to identify the 2018 in-kind contributors since she could not find the donor slips.
- Ms. Wilson stated that there was no attempt made by her or the Committee to hide any individual donors or their corresponding addresses on the 2018 and 2019 Penny Auction reports, and that the Committee simply made a mistake by not retaining the 2018 donor slips or catching the mistakes listed on the 2019 donor slips.
- Concerning the late filing of the Committee’s C-3 and C-4 reports listed in the third complaint from Mr. Morgan, Ms. Wilson stated that she was surprised when she saw the allegations of the late filed reports. She stated that there were several of the alleged late filed C-3 reports which were only for bank interest, which she added she was under the impression were not reportable.
- Ms. Wilson stated that for many months of the year, bank interest is the Committee’s only activity, and that she would frequently file C-3 and C-4 reports “every 4-6 months in those instances.”

- Ms. Wilson stated that the committee does not have much activity except for every four years when there is a levy or bond election on the ballot, and there was no intention by the Committee to “hide donors or the amounts of their donations” or their addresses for the Penny Auction reports in 2018 and 2019.
- Ms. Wilson stated that since these allegations were brought to her attention, she will pay much more attention to the reporting requirements for the Penny Auction donors and the reporting dates. She added that she confessed that “adjusting to the changes in technology is not my strong suit” and that she is “still adjusting to the recent changes.”

Based on these findings, PDC staff found no evidence of a violation that would require conducting a more formal investigation into the complaint or pursuing further enforcement action in this instance.

The Committee acknowledged being on their third computer since 2018, and that they failed to properly maintain adequate records concerning the 2018 Penny Auction donor slips and ORCA back-up and having to reconcile the 2019 donor slips with the email addresses to determine the contributor’s names. Those issues are mitigated by the facts the in-kind contributions were for the 2020 levy/bond election, the next levy/bond election is in 2024, and it does not appear the Committee conducted the Penny Auction for calendar years 2021 and 2022.

In accordance with WAC 390-37-060(1)(d), PDC staff is issuing a formal written warning to the North Thurston Citizens for Schools PAC concerning the requirement to timely and accurately file C-3 and C-4 reports in the future. This warning includes the requirement for the Committee to properly enter the contribution and expenditure information into the ORCA program for all future activities, especially for the contributor names and addresses for the in-kind contributions received for the Penny Auction, should they decide to conduct one in the future, and to properly maintain the Committee books of accounts. The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws and rules.

PDC staff is dismissing this matter in accordance with RCW 42.17A.755(1). If you have questions, please contact PDC Compliance Officer Kurt Young by e-mail.

Sincerely,

Endorsed by,

/s
Electronically Signed Kurt Young
Compliance Officer

/s
Electronically Signed Peter Lavalley, PDC Executive
Director



cc: North Thurston Citizens for Schools PAC