



**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

June 13, 2024

Delivered electronically to Central Valley Citizens for Education PAC at
"huttonjan@comcast.net"

Subject: Complaint filed by Glen Morgan, PDC Case 141457

Dear Central Valley Citizens for Education PAC:

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

As noted in the letter 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, pursuant to WAC 390-37-060(1)(d), this serves as a formal written warning concerning your failure to comply with the filing requirements noted in the enclosed letter sent to Mr. Morgan. Staff expects you to timely and accurately file all required reports of contributions and expenditures, including the required description details, in future years. The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov.

Sincerely,

Electronically signed

Jennifer Hansen
Compliance Officer

Endorsed by,

Electronically signed

Peter Frey Lavalley
Executive Director



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June 13, 2024

Delivered electronically to Glen Morgan at “glen@wethegoverned.com”

Subject: Complaint regarding Central Valley Citizens for Education PAC, PDC Case 141457

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on August 17, 2023. The complaint alleged that Central Valley Citizens for Education PAC, a committee registered with the PDC during the February 13, 2018, and February 11, 2020, special elections and the November 2, 2021, general election, may have violated: (1) RCW 42.17A.235 & .240 for failure to timely file Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) and; (2) RCW 42.17A.235 & .240 & WAC 390-16-037 for failure to include the required description for political advertising expenditures.

PDC staff reviewed the allegations and supporting documentation; the applicable statutes, rules, and reporting requirements; the response provided by Treasurer Jan Hutton on behalf of the Respondent; the applicable PDC reports filed by the Respondent; the Respondent's data in the PDC contribution and expenditure database, and other relevant information, to determine whether the record supports a finding of one or more violations.

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

- Central Valley Citizens for Education PAC (CVCE) registered under the “Full Reporting” Option to support Central Valley School District bonds and levies in: (1) the February 13, 2018, special election; (2) the February 11, 2020, special election; and (3) the November 2, 2021, general election.

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

- The complaint alleged that CVCE filed numerous C-3 and C-4 reports covering campaign activity for elections in 2018, 2020 and 2021, late. The evidence of the late reporting was submitted in the form of a spreadsheet where the projected due date was assumed solely based on the reporting schedule for committees participating in elections during the calendar year and without consideration of the dollar amount disclosed on each report.
- In addition, the spreadsheet alleged that two amended reports were submitted late but did not provide any specific information about the activity that purportedly was omitted from the original or otherwise edited.
- RCW 42.17A.235 describes the required filing deadlines for disclosure of campaign finance activities including monetary contributions, in-kind donations of goods or services, and expenditures made by the campaign.

- RCW 42.17A.240 describes the required content of each campaign reports including the name and address of each person making contributions and to whom an expenditure was made.
- During the review of the alleged late reporting spreadsheet, PDC staff found that the majority disclosed small donations between \$5 and \$15 dollars from individuals. Many reports included dollar amounts under the reporting threshold (more than \$750 as of April 1, 2023, and more than \$200 in prior years) for monthly C-4 reports, or were amendments as discussed above.
- Staff did note a small number of reports that appeared to be submitted after the likely filing deadline, including C-3 reports showing receipt of funds, disclosing mostly contributions from individuals ranging between \$100 and \$250 dollars plus contributions from non-individuals ranging between \$1,000 and \$1,500.
- In the response, Ms. Hutton took responsibility for the late reporting, citing a computer hacking incident which caused a loss of a couple of years of campaign data that had to be recreated prior to the submittal of the missing campaign activity.
- Ms. Hutton further stated that the delay in reporting was not malicious or intended to withhold information from the public.

Allegation Two: Failure to include the required description for political advertising expenditures.

- The complaint alleged that the CVCE failed to include the required description for political advertising expenditures.
- WAC 390-16-037 includes directions on disclosing expenditures made for certain types of political advertisements and includes an example of the expected detail.
- On December 5, 2023, Ms. Hutton submitted nine amended C-4 reports from the 2020 and 2021 elections, to add detail that was omitted from the original expenditure descriptions, including the number of yard signs and postcards printed, run times for newspaper advertisements, stations used for television advertisements, and reimbursement for advertisements posted on social media.
- Regarding the insufficient detail originally used for political advertising expenditures, Ms. Hutton stated that she utilized the expenditure category dropdown menu options provided in ORCA (Online Reporting of Campaign Activity), mistakenly believing this was adequate for CVCE's reports.
- Finally, Ms. Hutton's response indicated she resigned her position as treasurer at the conclusion of the 2021 campaign cycle.

It appears that although the Respondent did submit some late campaign activity for the special election in February 2020 and general election in November 2021, and omitted the required details for a small number of political advertising expenditures, due, in part, to a loss of ORCA data and a general lack of knowledge by the treasurer on the use of the ORCA filing system. Staff found no evidence that the late and inaccurate reporting was done intentionally to conceal campaign activity from the public.

Based on our findings staff has determined that, in this instance, failure to timely and accurately file a small number of C-3 and C-4 reports for elections in 2018, 2020, and 2021 by the Respondent does not amount to a finding of a violation that warrants further investigation.

Pursuant to WAC 390-37-060(1)(d), however, Central Valley Citizens for Education PAC will receive a formal written warning concerning failure to timely and accurately disclose

contributions and expenditures for elections in 2018, 2020 and 2021. The formal written warning will include staff's expectation that CVCE timely and accurately files all future required reports of contributions and expenditures. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

Based on this information, the PDC finds that no further action is warranted and has dismissed all allegations in this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,

Electronically signed

Jennifer Hansen
Compliance Officer

Endorsed by,

Electronically signed

Peter Frey Lavalley
Executive Director

cc: Central Valley Citizens for Education PAC