

Hello Ms. Fiman,

I am the attorney that represents Clover Park Citizens for Schools (Clover Park) in this matter. At the start of this year, Clover Park's current committee of volunteers realized the volunteer who used to oversee the PAC's reporting requirements was under the mistaken impression that the PAC was below the reporting threshold. After this realization, Clover Park hired a new accountant and legal counsel to ensure future compliance.

Over two months before Morgan issued his April 29 complaint, Clover Park disclosed this prior misunderstanding to the PDC. More specifically, on February 14, I contacted the PDC on behalf of Clover Park and provided a letter that explained the PAC's history and requested an alternate response to investigation or adjudication if a complaint should issue. Please find the attached letter and email exchange for your review. Clover Park is still in the process of compiling its past bank records to appropriately amend prior reports, but it has begun its ameliorative efforts and is committed to maintaining its ongoing reporting requirements. The PAC stands ready to enact any further remedial direction from the PDC. I am available for any further follow up questions you may have.

Thank you,

Juliana

JULIANA DEFILIPPIS | Associate (she/her) | Barnard Iglitzin & Lavitt LLP

DIR: 206.257.6005 | FAX: 206.378.4132

18 West Mercer Street, Suite 400, Seattle, WA 98119

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Fiman, Alice (PDC)

From: PDC Support <pdcc@pdc.wa.gov>
Sent: Thursday, February 15, 2024 8:30 AM
To: Jennifer Fernando
Cc: Juliana DeFilippis; Jennifer Fernando
Subject: Re: PDC - Clover Park Citizens for Schools

Juliana, Thank you for that additional information. I apologize for truncating your last name in my first message.

Kim

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Washington State law established email as the PDC's official means of communication as of June 7th, 2018 (RCW 42.17A.055). Filers have a duty to amend their reports within 10 days of any material changes, such as new email addresses. Please ensure your email address is up to date.

To respond, please reply to this email.

Washington Public Disclosure Commission
<http://www.pdc.wa.gov>
1.360.753.1111

On Wed, 14 Feb at 4:24 PM , Juliana DeFilippis <defilippis@workerlaw.com> wrote:

External Email

Hello,

Thank you for reaching out for clarification. Clover Park became aware of this issue when a new team of volunteers and new treasurer took over the work for the committee. The committee was concerned about a potential PDC self-generated complaint and wanted to approach its attempts to amend the past filing mistakes with full transparency and disclosure to the PDC.

Regards,
Juliana

JULIANA DEFILIPPIS | Associate (she/her) | Barnard Iglitzin & Lavitt LLP
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From: PDC Support <pdcc@pdc.wa.gov>
Sent: Wednesday, February 14, 2024 3:58 PM
To: Jennifer Fernando <fernando@workerlaw.com>
Cc: Juliana DeFilippis <defilippis@workerlaw.com>
Subject: Re: PDC - Clover Park Citizens for Schools

Ms. Filippis,

Thank you for this information regarding the committee's work to correct reports. Can you clarify how the committee became aware of this issue? As you note, we do not have a complaint pending and in checking with our filer assistance staff, no one can recall doing

outreach or assisting the committee with amendments. I've done a search our helpdesk system but don't find any correspondence between the committee and PDC staff.

Kim Bradford

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To respond, please reply to this email.

Washington Public Disclosure Commission
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1.360.753.1111

On Wed, 14 Feb at 10:22 AM , Jennifer Fernando
<fernando@workerlaw.com> wrote:

External Email

Good morning,

Please see the attached letter from Juliana DeFilippis, attorney for Clover Park Citizens for Schools. A hard copy will not be sent unless requested.

Thank you,
Jennifer



JENNIFER FERNANDO (she/her) | *Paralegal*
DIR: 206.257.6029 | **FAX:** 206.378.4132
18 West Mercer Street, Suite 400, Seattle, WA 98119

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Fiman, Alice (PDC)

From: Jennifer Fernando <fernando@workerlaw.com>
Sent: Wednesday, February 14, 2024 10:23 AM
To: 'PDC Support'
Cc: Juliana DeFilippis
Subject: Clover Park Citizens for Schools
Attachments: 2024 02 14_PDCEmail_Clover Park_Final.pdf

Good morning,

Please see the attached letter from Juliana DeFilippis, attorney for Clover Park Citizens for Schools. A hard copy will not be sent unless requested.

Thank you,
Jennifer



**BARNARD
IGLITZIN &
LAVITT LLP**

JENNIFER FERNANDO (she/her) | *Paralegal*

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Juliana DeFilippis
Associate Attorney
DIR (206) 257-6005
defilippis@workerlaw.com

February 14, 2024

Public Disclosure Commission
711 Capitol Way S #206
Olympia, WA 98504
pdc@pdc.wa.gov

Re: Clover Park Citizens for Schools
BIL File No.: 6674-001

Dear PDC Staff,

We represent Clover Park Citizens for Schools (Clover Park) to address the current measures Clover Park is taking to amend past reporting issues. Clover Park is a political committee that supports levies for public school funding in the Clover Park School District, primarily run by volunteers. Recently, the current committee of volunteers that run Clover Park realized the individual who used to oversee Clover Park's reporting was under the mistaken assumption that Clover Park was below the financial threshold for reporting. That individual is now retired, and the current committee is attempting to amend this past mistake through retroactive filings to bring Clover Park back into compliance with requirements of the Fair Campaign Practices Act (FCPA). Specifically, Clover Park hired a new treasurer and obtained legal support to assist it with achieving full compliance under the law.

Clover Park now understands and recognizes its responsibilities under the FCPA, including the requirement under RCW 42.17A.235 that it must file reports with the Commission for all contributions and expenditures above the reporting thresholds in RCW 42.17A.235, .240, as updated effective April 1, 2023. Clover Park is funded through contributions in the form of payroll deductions from educators in the School District. Based on the records of these payroll deductions, Clover Park recently filed C-3 reports for all contributions from January 2018 to December 2023. The current total contributions disclosed to the PDC for Clover Park's 2024 campaign, \$18,106, is a sum of the recorded contributions going back five years. Clover Park also filed C-4 reports for any expenditure listed in its limited records. It is also maintaining current compliance for its 2024 contributions and expenditures that are above the threshold requirements for filings. These filings demonstrate Clover Park's diligent effort to remedy its past inadvertent failure to file such reports.

Due to Clover Park's transparency and remedial efforts, we believe an alternative response to an investigation or adjudicative proceeding is appropriate, such as a warning letter or statement of understanding. Several factors set out in WAC 390-37-061 make clear that such an alternative response is appropriate.

1. The noncompliance resulted from a good faith error, omission, and misunderstanding. The prior treasurer for the committee incorrectly believed the committee did not meet the financial threshold to report contributions and expenditures. Over the years of 2018-2023, educators contributed to Clover Park through monthly payroll deductions, usually the same amount each month. A vast majority of the individual contributions range from \$1 to \$25 each month. However, as of December 2023, each educator's annual aggregate contribution, which accrued over the years 2018-2023, ranged from \$60 to \$300. Until April 1, 2023, the threshold for required reporting of a contributor identity was \$25. RCW 42.17A.235(5). Clover Park is now aware that RCW 42.17A.235(5)'s definition of threshold is based on the aggregate of the individual's annual contributions, and not based on the amount of each monthly contribution. Accordingly, based on the prior misunderstanding regarding the need to aggregate contributions to determine, these contributions were not reported – as almost every monthly payroll deduction from 2018-2023 did not exceed \$25. This assumption was mistaken, but not the result of fraudulent or maligned intentions. It was instead a result of the committee's lack of knowledge about FCPA filing requirements.
2. The respondent's organization or campaign was relatively unsophisticated or small. Clover Park is a small organization with limited access to knowledge about PDC reporting. It is primarily run through volunteers who lack experience and knowledge on PDC reporting standards.
3. There is no evidence that any person, including an entity or organization, benefited politically or economically from the noncompliance. No one within Clover Park benefitted financially from the failure to disclose. Clover Park is now taking on the cost of its ameliorative measures to amend past mistakes by hiring a new treasurer and law firm to assist in its remedial reporting.
4. The noncompliance resulted from the respondent's demonstrated good-faith uncertainty concerning staff guidance or instructions, a lack of clarity in the rule or statute, or uncertainty concerning the valid application of the commission's rules. The prior volunteer in charge of Clover Park's filing requirements believed in good faith that Clover Park was under the threshold for reporting requirements and not required to disclose expenditures and contributions. Upon discovering this mistake, Clover Park sought formal staff guidance and legal support to correct its uncertainty about FCPA filing requirements.
5. The respondent quickly took corrective action or initiated other remedial measures prior to any complaint, or when noncompliance was brought to respondent's attention (e.g., filing missing reports, amending incomplete or inaccurate reports, returning prohibited or over limit contributions). There is no current complaint with the Commission against Clover Park. Shortly after Clover Park realized it was not in compliance with FCPA requirements, it took immediate steps to begin remedial efforts by seeking official guidance on filing requirements and how to amend past mistakes. Currently, Clover Park is filing missing and amended reports to fix past noncompliance.

6. The respondent made a good-faith effort to comply, including by consulting with PDC staff following a complaint and cooperating during any preliminary investigation, or demonstrated a wish to acknowledge and take responsibility for the alleged violation. Clover Park acknowledges and takes responsibility for its past failure to disclose. Upon discovering the issue, Clover Park sought guidance from its new treasurer and outside legal counsel on how to transparently fix the issue in full accordance with PDC guidelines. It is now in the process of filing late reports and maintaining present compliance with reporting requirements.

Clover Park is committed to present and future adherence with all FCPA and Commission filing standards. If the Commission chooses to pursue further assessment of this matter, it should ultimately be dismissed with a reminder or warning letter because Clover Park is engaging in a good faith effort to amend past mistakes and disclose all required information. Please contact me with any questions or concerns at (206) 257-6005.

Sincerely,

A handwritten signature in black ink, appearing to read 'JD', with a long horizontal stroke extending to the right.

Juliana DeFilippis

Counsel for Clover Park Citizens for Schools