

Cooper, Jim (1) - Alleged violation(s) of RCW 42.17A.205, .235, .240, and .430

[Jim](#) reported 4 months ago (Mon, 17 Oct, 2016 at 1:14 PM) via Phone

Created by: Jacob Berkey

The complaint alleges that Jim Cooper, candidate for County Commission in Thurston County, violated RCW 452.17A.205, .235, and .240 by failing to register and report campaign financial activity. The complaint also alleges a violation of RCW 42.17A.430 for contributing to another candidate out of campaign funds.

[Jacob Berkey](#) replied 4 months ago (Mon, 17 Oct, 2016 at 1:24 PM)

Replied to : jim@electjimcooper.com

Hi Jim,

Please see the attached complaint that was received today by the PDC. The complaint alleges that campaign has made 50 allegations of RCW 42.17A, under various parts of the law:

Allegations 1-47 concern alleged violations of RCW 42.17A.240(11). The reporting requirement in the code is for contributions of \$100+. If the contributions was \$100.01 the employer and occupation information would need to be listed. At \$100 this disclosure is not required.

Allegation 48 concerns a violation of RCW 42.17A.205 for failure to register your committee before receiving campaign contributions. I was able to review what is on file here at the PDC and can see that you did file a C1 report on November 13, 2015 and that the February 29, 2016 C1 report that Mr. Morgan mentions in his complaint was an amended report.

Allegation 49 concerns expenditures for your website. How and where are these reported?

Allegation 50 concerns a violation of RCW 42.17A.430. Please explain this expenditure i your written response.

Please provide a written response to allegations 49 and 50 by October 24, 2016.

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To respond, please reply to this email.

Washington Public Disclosure Commission

<http://www.pdc.wa.gov>

1.360.753.1111

**Jacob Berkey**

Public Disclosure Commission

## File a Formal Complaint - Glen Morgan

**Glenmorgan89** reported 2 hours ago (Mon, 17 Oct at 11:23 AM) via Portal Meta

To Whom it May Concern --

Candidate for Thurston County Commission Jim Cooper has violated RCW 42.17A on at least 50 separate occasions.

**1-47)** Cooper's campaign illegally failed to list the occupation and employer for over 47 separate donations, which is required for all contributions valued at \$100 or greater. See list. **This is a violation of RCW 42.17A.240 (11).**

Contributor	Date	Amount	P/G	City	State	Zip	Employer	Occupation
BARNEY JERRY	2016-07-12	100.00	P	OLYMPIA	WA	98502		
BERENDT ELIZABETH	2016-06-22	100.00	P	OLYMPIA	WA	985017042		
BERENDT PAUL	2016-06-22	100.00	P	OLYMPIA	WA	985017042		
BERRY SANFORD	2015-11-18	100.00	P	OLYMPIA	WA	98506		
BLUM KYLE	2015-12-30	100.00	P	OLYMPIA	WA	98502		
BOAD JESSICA	2016-07-26	100.00	P	OLYMPIA	WA	98502		
BROWN BRIAN	2016-08-11	100.00	G	OLYMPIA	WA	98513		
CHAPMAN-SEE KATHERINE	2016-05-08	100.00	P	OLYMPIA	WA	98501		
CHRISTIANSEN ALEX	2016-08-12	100.00	G	TENINO	WA	98589		
COOPER CHRYSTAL	2016-08-17	100.00	G	EDMUNDS	WA	98020		
COOPER JACK F	2016-04-20	100.00	P	SUNNYSIDE	WA	00000		
COOPER MIKE	2016-08-17	100.00	G	EDMUNDS	WA	98020		
FEDERICI NICHOLAS A	2016-06-23	100.00	P	SEATTLE	WA	98115		
FOUTCH MARK	2016-07-13	100.00	P	OLYMPIA	WA	98501		
FRASER KAREN	2016-08-20	100.00	G	OLYMPIA	WA	98502		
GARST CHRISTINE	2015-11-14	100.00	P	OLYMPIA	WA	98512		
HOLT-KNOX SARA	2015-11-25	100.00	P	OLYMPIA	WA	98506		
JONES KATHLEEN	2016-09-25	100.00	G	OLYMPIA	WA	98501		
JONES NATHANIEL	2016-09-25	100.00	G	OLYMPIA	WA	98501		
LUNDIN STEPHEN	2016-07-31	100.00	P	OLYMPIA	WA	98502		
MATHIS JAMES	2016-10-06	100.00	G	TUMWATER	WA	98512		
MOORE HEATHER	2016-03-20	100.00	P	OLYMPIA	WA	98501		
MYERS DANIEL	2016-07-31	100.00	P	TUMWATER	WA	98501		
MYERS SHAWN	2015-11-13	100.00	P	TUMWATER	WA	98501		
NOVELLI CHRIS	2015-12-29	100.00	P	LACEY	WA	98513		
O'NEILL HUGH	2016-09-29	100.00	G	OLYMPIA	WA	98502		
OLSEN RUSS	2016-05-08	100.00	P	LACEY	WA	98516		
PIVETTA HOFFMAN AMY	2016-05-08	100.00	P	SPANAWAY	WA	98387		
PONTAROLO MARY	2016-07-11	100.00	P	OLYMPIA	WA	98516		
PRATT CYNTHIA	2016-04-13	100.00	P	LACEY	WA	00000		
PRUITT WES	2015-11-25	100.00	P	LACEY	WA	98503		
RAY BEN	2016-06-23	100.00	P	OLYMPIA	WA	98513		
RAY JEANNE	2016-06-23	100.00	P	OLYMPIA	WA	98513		
REILLY GERALD	2016-04-21	100.00	P	OLYMPIA	WA	98502		
ROMERO SANDRA	2016-08-17	100.00	G	OLYMPIA	WA	98503		
RUTH MICHAEL	2016-09-29	100.00	G	OLYMPIA	WA	98501		
SEDERBERG DAVID	2016-07-26	100.00	P	OLYMPIA	WA	98506		

SHAPIRO ARI	2015-11-18	100.00	P	SEATTLE	WA	98119		
SHEPARD ELIZABETH	2016-02-06	100.00	P	OLYMPIA	WA	98506		
SLATE PAUL D	2016-03-17	100.00	P	OLYMPIA	WA	985013012		
SMYTH-MCINTOSH SARAH	2016-03-06	100.00	P	OLYMPIA	WA	98502		
STEADMAN MICHAEL	2016-03-20	100.00	P	LACEY	WA	98516		
STOKES TIMOTHY	2016-04-20	100.00	P	TACOMA	WA	98406		
VANWAGENEN RICHARD D	2016-04-20	100.00	P	LACEY	WA	98503		
WOJNAR LEE	2016-06-09	100.00	P	OLYMPIA	WA	98512		
WRIGHT MIKE	2016-09-27	100.00	G	YELM	WA	98597		
YOUNG LUCINDA	2016-08-08	100.00	G	OLYMPIA	WA	98502		

**48)** Cooper's C-1 is listed as having been filed with the PDC on February 29, 2016. Per state law, the C-1 must be filed within two weeks after organization or within two weeks after the date the committee first has the expectation of receiving contributions or making expenditures in any election campaign, whichever is earlier. Considering Cooper received his first contribution on November 13th, 2015, this would make his submission of the C-1 form *3 months late*. **This is a violation of RCW 42.17A.205 (1).**

**49)** Cooper has failed to list an expenditure or in-kind donation for the professional photography that he used on his website and in his mailers. He has also failed to list an expenditure or in-kind donation for the website domain "[electjimcooper.com](http://electjimcooper.com)" **This is a violation of RCW 42.17A.235.**

**50)** Cooper has illegally donated to the Thurston County Democratic Party from his candidate committee. On 5/7/2016, his campaign lists an expenditure of \$1300 to the Thurston County Democrats for "Kennedy Dinner Tickets for 13". While Cooper is allowed to pay market value for objects of real value (like newsletter advertising space, or a booth, etc.) to candidate/political committees, he is prohibited from transferring funds to them in excess of that amount. Cooper must be forced to repay this money to his campaign committee from his own personal funds. **This donation is a violation of RCW 42.17A.430 (8).**

I urge the PDC to do a complete investigation of Cooper's campaign, and take action against him immediately for these serious violations.

Best,  
Glen Morgan  
[\(360\) 791-6556](tel:(360)791-6556) Cell

[Jacob Berkey](#) replied 4 months ago (Mon, 17 Oct, 2016 at 4:06 PM)

Replied to : jim@electjimcooper.com

Hi Jim,

Thank your for stopping by today to inquire about the complaint and how to report your expenditures. I was able to talk with staff about allegations 49 and 50.

49 - Staff recommends that the \$46.00 that was spent on the website be reported on your next C4 and itemized as an in-kind contribution for the domain for five years. Even though it should have probably been reported earlier, by creating a record now - and itemizing the small amount it is, you will provide disclosure for anyone who needs to know how you paid for the website and domain.

50 - This one is more complicated. Candidates are not supposed to use campaign funds for contributions to the party or other candidates. I have a couple of clarifying questions before I can offer any advice on this allegation.

A) Where were the reimbursements for the 13 seats deposited when the individuals reimbursed you? Did they go back into campaign funds?

B) Where were the refunds for the 4 seats deposited when the party refunded you? Did they go back into campaign funds?

C) What was the cost of the consumables (food) that you personally consumed at the event?

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To respond, please reply to this email.

Washington Public Disclosure Commission

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**Jacob Berkey**

Public Disclosure Commission

[Jim](#) replied 4 months ago (Tue, 18 Oct, 2016 at 9:02 AM)

to : [pdc@pdc.wa.gov](mailto:pdc@pdc.wa.gov)

Thanks Jacob,

49 - Reporting 2015 charge on Today's c4

50 - answers below

A) Where were the reimbursements for the 13 seats deposited when the individuals reimbursed you? Did they go back into campaign funds?

I asked people to help with the table sponsorship (\$800 each for two tables of 8) most did this thru a campaign contribution of \$65-100. several paid party directly, or had already paid before I invited them. All of these contributions went into the campaign funds.

B) Where were the refunds for the 4 seats deposited when the party refunded you? Did they go back into campaign funds?

there was no refund from the party, I received a credit on my table sponsorships, from the party in the amount that had already been paid.

C) What was the cost of the consumables (food) that you personally consumed at the event?

Not sure, never got record of that, the individual ticket costs were \$65 each. for a pretty nice plated meal. Our sponsorships bought additional amenities at the event including wine on the table, and marketing mentions in materials and at the podium.

Let me know if you have other questions, or what I need to do to amend how this is reported. Thanks!

Jim

[Jacob Berkey](#) replied 4 months ago (Tue, 18 Oct, 2016 at 9:59 AM)

Replied to : jim@electjimcooper.com

Hi Jim,

Thank you for your response. If I need additional information I will let you know.

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To respond, please reply to this email.

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**Jacob Berkey**

Public Disclosure Commission

[Jim](#) replied 2 months ago (Wed, 7 Dec, 2016 at 1:38 PM)

to : pdc@pdc.wa.gov , cc : jim@electjimcooper.com

Hello Curt,

Attached is the Kennedy Dinner Accounting as best I could rebuild it. Also, attached are the sponsorship levels.

One additional note: in looking back I gave people the option of paying \$50-100 as they were able. knowing that a couple of key volunteers were not able to pay full freight. this is why several folks underpaid.

Please let me know what else you need.

Thanks!

Jim



name	amount paid	paid to:	deposit date
1. Jim Cooper	\$0.00	na	na
2. Thomasina Cooper	\$0.00	na	na
3. Mary Hall	\$50.00	TCD	5/7/2016
4. John Hall	\$100.00	FOJC	4/20/2016
5. Brandon Anderson	\$50.00	FOJC	5/8/2016
6. Amy Anderson	\$50.00	FOJC	5/8/2016
7. Russ Olsen	\$100.00	FOJC	5/8/2016
8. Cathy Wolfe	\$100.00	FOJC	5/8/2016
9. Shawn Myers	\$140.00	TCD	5/7/2016
10. Dan Myers	see above		
11. Ben Ray	\$100.00	FOJC	6/23/2016
12. Jeannie Ray	\$100.00	FOJC	6/23/2016
13. Jessica Bateman	\$65.00	FOJC	5/8/2016
14. Amy Pivetta Hoffman	\$100.00	FOJC	5/8/2016
15. Nicole Hill	\$100.00	TCD	5/7/2016
16. Jennifer Belcher	\$100.00	TCD	5/7/2016
Total paid to FOJC	\$765.00		
Total to TCD	\$390.00		

Total sponsorship commitment by FOJC to TCD for Blue level sponsorship of two tables of 8 at \$800 ea for 5/7/2016 Kennedy Dinner	\$1,600.00
Campaign Paid to TCD on 5/7/2016	\$1,240.00
others paid directly to TCD	\$390.00
total TCD revenue for \$1600 sponsorship	\$1,630.00
FOJC credit used for advertising in newsletter later in cycle	\$30.00

legend

TCD= Thurston County Democrats  
FOJC = Friends of Jim Cooper

notes
candidate
candidate wife
underpaid
campaign volunteer/ financial hardship
campaign volunteer/ financial hardship
for Shawn and Dan
paid by Shawn Myers
campaign volunteer/ financial hardship

emocrats
oper



# Kennedy Dinner and Auction 2016

## Sponsorship

Red level: Above \$1,000 donation includes table for 8, complimentary wine (unlimited), mention from podium, listed in program, TCD newspaper, website and FB.

White level: \$1,000 donation includes table for 8, complimentary wine (one white and one red), mention from podium, listed in program, TCD newspaper, website and FB.

Blue level: \$800 donation includes table for 8, complimentary wine (one white and one red), mention from podium, listed in program, website and FB.

Table sponsor level: \$650 donation includes table for 8, listed in program, website and FB.

[Kurt Young](#) replied 2 months ago (Wed, 7 Dec, 2016 at 3:44 PM)

Replied to : [jim@electjimcooper.com](mailto:jim@electjimcooper.com)

Mr. Cooper,

Thanks for the prompt response to our telephone conversation this morning.

I have reviewed the information and I have just a couple of follow-up questions (and two questions related to the original complaint):

- The individuals listed on the Kennedy Dinner spreadsheet that contributed to your campaign, did you solicit those contributions from those individuals to attend the Kennedy Dinner? If no, how did you determine the contributions were to be used for that event?
- Can you find out from the Thurston County Democrat's the actual costs for just the meal, beverages, wine at the table taxes and gratuities portion of the Kennedy Dinner, or if it is easier, how much of the \$100 per table costs was a contribution to the party? I know you previously estimated the costs based on the \$65 admittance price for an individual, but we requesting additional information.
- The individuals listed on the Kennedy Dinner spreadsheet that contributed directly to the Thurston County Democrats, did your campaign request or direct those individuals to send their contributions directly to the party?
- Did the campaign receive any additional benefits from the Kennedy Dinner sponsorship other than what was listed on the flyer from the Thurston County Democrats?
- Concerning the \$46.08 in-kind contribution from Matt Albrecht, you indicated in your response that it was a 2015 charge, do you recall when the expenditure was made?
- The complaint alleged that your campaign failed to disclose expenditures or in-kind contributions for the "professional photography" services provided to the campaign for the website and mail piece photo's that were used. I don't see a response to that specific allegation, but I know you responded to another complaint about the You Tube videos. Please respond to that issue.

Let me know if you have any questions.

Sincerely,

Kurt Young

PDC Compliance Officer

[Jim](#) replied 2 months ago (Wed, 7 Dec, 2016 at 8:43 PM)

to : [pdc@pdc.wa.gov](mailto:pdc@pdc.wa.gov)

Hi Kurt,

here are my responses:

- The individuals listed on the Kennedy Dinner spreadsheet that contributed to your campaign, did you solicit those contributions from those individuals to attend the Kennedy Dinner? If no, how did you determine the contributions were to be used for that event? Yes, I personally invited each person and asked them to contribute towards the sponsorship cost.
- Can you find out from the Thurston County Democrat's the actual costs for just the meal, beverages, wine at the table taxes and gratuities portion of the Kennedy Dinner, or if it is easier, how much of the \$100 per table costs was a contribution to the party? I know you previously estimated the costs based on the \$65 admittance price for an individual, but we requesting additional information. I have asked for this from TCD and will send it to you under separate cover as soon as I have a number.
- The individuals listed on the Kennedy Dinner spreadsheet that contributed directly to the Thurston County Democrats, did your campaign request or direct those individuals to send their contributions directly to the party? No. They had already purchased tickets when I invited them or misunderstood the request for contribution.
- Did the campaign receive any additional benefits from the Kennedy Dinner sponsorship other than what was listed on the flyer from the Thurston County Democrats? Not that I know of.
- Concerning the \$46.08 in-kind contribution from Matt Albrecht, you indicated in your response that it was a 2015 charge, do you recall when the expenditure was made? Yes, it was 8/3/2015.
- The complaint alleged that your campaign failed to disclose expenditures or in-kind contributions for the "professional photography" services provided to the campaign for the website and mail piece photo's that were used. I don't see a response to that specific allegation, but I know you responded to another complaint about the You Tube videos. Please respond to that issue. I apologize for missing that. As Jacob and I discussed these photos were taken in a local studio for my family and paid for by me personally for personal use. Others were personal photographs from my iphone. We then used some of them in campaign materials.

I'll send the per plate number as soon as I have it. Thanks!

Jim

[Kurt Young](#) replied 2 months ago (Thu, 8 Dec, 2016 at 9:21 AM)

Replied to : jim@electjimcooper.com

Mr. Cooper,

Thanks again for the prompt response.

Just one follow-up concerning the Kennedy Dinner and the costs, it seems like it would be more representative if we included the costs for the entire event in the per person breakdown in order to determine what portion of the \$100 per seat at the table was a contribution to the party..

If the Thurston County Democrat's could provide you with the costs for the rental of the facility, staffing costs, outside vendor costs for things such as entertainment, auctioneer, etc..., mailing and printing costs, LMCB licenses, decorations and other incidental costs (plus the earlier requested costs) and divide that by the number of attendees. FYI - I think a lot of those expenditures will be listed on their C-4 reports.

Sincerely,

Kurt Young

PDC Compliance Officer

[Jim](#) replied 2 months ago (Thu, 8 Dec, 2016 at 12:37 PM)

to : [pdcc@pdcc.wa.gov](mailto:pdcc@pdcc.wa.gov)

Hi Kurt,

Below I have pasted the response I received from TCD, this morning, on the cost per plate. Please let me know if you have other questions. I will be out of pocket after 2 pm traveling to Friday harbor form meetings all of tomorrow. I'll respond to any other questions over the weekend, unless it's urgent, then please call my cell at 360-451-9053 and leave a message. Thanks!

Jim

Jim -

I pulled the raw expenses from the Democrats Quickbooks fie on Costs of Kennedy dinner for you. Sadly, because attendance was down - total costs of delivering food and beverage actually were higher than the ticket price. Now that's a fundraiser!

Here is my breakdown:

Room	\$	1,298.00
Catering	\$	9,510.43
Tables	\$	471.77
Merchant Fees	\$	224.00
	\$	11,504.20
Paid Attendance	151	
Per Person Cost	\$	76.19
x 2 tables =	\$	1,218.99



Total Sponsorship        \$            1,600.00

Net Value-Sponsorship    \$            381.01

**NOTES:**

- Room was paid to SPSCC, half by check, half by debit card for deposit.
- Catering is the total bill to Budd Bay Catering for the night, includes tax, gratuity, food and beverage.
- Tables fee includes the tablecloths, centerpiece, and other decor for the actual tables, not the room and entry and other spaces.
- Merchant fees is within a few dollars of exact on the cost to process payments, the vast majority of which was done on credit cards. Per standard accounting in Washington, I have INCLUDED this as part of cost of goods.

The raw COST of providing all food and beverage for the evening averaged \$76.19 per paid attendee. Times your two tables makes \$1218.99.

For Kennedy Dinner sponsors, TCD has done significant work in the past to develop and justify sponsorship levels for value received. Internally, our assumption is that your sponsorship of \$800 is \$600 in ensuring attendance, and \$200 in advertising/marketing benefits. This number was derived by taking the regular ticket price of \$75 (we did offer early bird pricing of \$65, but as you can see above, that's a discount, since our raw cost was about \$75, and \$75 is the standard ticket price) times the 8 provided seats.

When we developed the sponsorship program - we did look at what advertising and promotional benefits we provide, what other organizations charge for sponsorships to private businesses, and the estimated values of name mentions, program mentions etc. We established the value of the table sponsorship at an additional \$200, for \$800 total.

If you need any more info, feel free to contact me.

Sincerely,

Joe Hyer

Deputy Treasurer, Thurston County Democrats

[Jim](#) replied 2 months ago (Fri, 16 Dec, 2016 at 1:18 PM)

to : [pdcc@pdcc.wa.gov](mailto:pdcc@pdcc.wa.gov)

Hello Curt,

In order to expedite resolution of this complaint I have asked TCD to refund me \$381, or the portion above per plate value that was sponsorship. I do not believe there was any violation in this transaction and the cost paid was within the value of the plate and sponsorship. That said, I believe this is better solved in an efficient and less expensive (in that it saves my tax dollars for real compliance work that needs to be done by PDC and AG) way to dispense with Mr. Morgan's complaint. TCD Chair Katie Nelson has committed to getting this refund done, it just may take a few weeks as they have just gone through reorganization and the bank signers are in flux.

I hope this action alleviates this complaint in a productive way and that it does not generate any warnings or violations for my campaign, as we have acted in good faith on your staff recommendation. Again, I am confident that there was no violation of law here, but concede to the refund being the cheapest and most efficient resolution, and would be quite distraught if I received any negative findings from the PDC on this, whether in the form of a warning or otherwise.

thank you for your good work on this matter.

Jim

[Evelyn Lopez](#) replied 2 months ago (Fri, 16 Dec, 2016 at 4:44 PM)

Replied to : jim@electjimcooper.com , cc : glenmorgan89@gmail.com, kurt.young@pdc.wa.gov

Dear Mr. Cooper and Mr. Morgan:

We have completed our review of the complaint filed with the PDC on October 17, 2016. I have attached a letter explaining the PDC's decision, and a warning letter to Mr. Cooper. I will also be posting these on our website.

If you have questions, please contact Kurt Young, or reply to this message.

Sincerely,

Evelyn Fielding Lopez

Executive Director, Public Disclosure Commission

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To respond, please reply to this email.

Washington Public Disclosure Commission

<http://www.pdc.wa.gov>

1.360.753.1111

## **2 Attachments**

- pdf

[8928 Cooper ...](#)

( 720 KB )

- pdf

[8928 Cooper ...](#)

( 3.77 MB )



STATE OF WASHINGTON  
PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 • (360) 753-1111  
Toll Free 1-877-601-2828 • E-mail: [pdc@pdc.wa.gov](mailto:pdc@pdc.wa.gov) • Website: [www.pdc.wa.gov](http://www.pdc.wa.gov)

December 16, 2016

[jim@electjimcooper.com](mailto:jim@electjimcooper.com)

Subject: PDC Complaint 8928 - Formal Written Warning

Dear Mr. Cooper:

Enclosed is a copy of a letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission on October 17, 2016. The complaint made fifty allegations that you may have violated RCW 42.17A.205, .235, .240, and .435 by failing to report campaign donations and spending as required by statute, and for illegally donating to a political party from campaign funds during your 2016 race for Thurston County Commission. As noted in the letter to Mr. Morgan, the PDC will not be conducting a more formal investigation into these allegations or taking enforcement action in this matter.

Your campaign appears to have committed a minor violation of RCW 42.17A.235 for failing to report one in-kind contribution of \$46.08, and a technical violation of RCW 42.17A.435 for making prohibited contributions of \$381 to a party organization from campaign funds.


Pursuant to WAC 390-37-060, I am issuing this Formal Written Warning. You have agreed to either have the Thurston County Democratic Central Committee reimburse \$381 to your campaign, or you will reimburse your campaign from personal funds. Please confirm that the campaign reimbursement has been made by February 17, 2017 (approximately 60 days from today).

If you are found to be out of compliance with this agreement after February 17, 2016, letter, and have not made an acceptable arrangement to return the funds, a Hearing Notice will be issued and you will have to appear at a Brief Adjudicative Proceeding before the Chair of the Public Disclosure Commission.

If there are future violations of PDC laws or rule, the Commission will consider this Formal Written Warning in deciding on further Commission action. Should you have questions about PDC

Complaint 8928 you may contact or contact Kurt Young, toll-free at 1-877-601-2828, or by e-mail at [pdcc@pdc.wa.gov](mailto:pdcc@pdc.wa.gov).

Sincerely,

  
Evelyn Fielding Lopez  
Executive Director

Enclosure: Letter to Complainant



**STATE OF WASHINGTON  
PUBLIC DISCLOSURE COMMISSION**

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 • (360) 753-1111  
Toll Free 1-877-601-2828 • E-mail: [pdcc@pdcc.wa.gov](mailto:pdcc@pdcc.wa.gov) • Website: [www.pdcc.wa.gov](http://www.pdcc.wa.gov)

December 16, 2016

[Glenmorgan89@gmail.com](mailto:Glenmorgan89@gmail.com)

Subject: PDC Case 8928

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its initial review of the complaint you filed on October 17, 2016. Your complaint made fifty allegations that Jim Cooper, a candidate for Thurston County Commissioner in 2016, violated RCW 42.17A.205, .235, .240, and .435 by failing to report campaign donations and spending as required by statute, and for illegally donating to a political party from campaign funds.

PDC staff reviewed your allegations, and as a result of staff's initial review, we found the following:

**I. Background**

On November 13, 2015, James M. (Jim) Cooper filed a Candidate Registration (C-1 report) declaring his candidacy for Thurston County Commissioner in 2016, selecting the Full Reporting Option, and listing Joe Hyer, as Campaign Treasurer, Liberty Ryder, as Campaign Chair, and 11 other individuals as committee officials.

On February 29, 2016, Jim Cooper filed an amended C-1 report for his 2016 candidacy for Thurston County Commissioner, amending the initial information to include Chris Noveli, as the new Campaign Treasurer, and Emma Margraf, as Campaign Manager.

Mr. Cooper is an incumbent Olympia City Councilmember since being elected to that office in 2011.

On October 17, 2016, you filed a complaint with the Public Disclosure Commission (PDC) alleging that Mr. Cooper, violated the following statutes and rule:

- RCW 42.17A.205 requires candidates to file a Candidate Registration (C-1 report) within two weeks of soliciting or receiving a contribution, making an expenditure or placing an



order for an expenditure, or making a public announcement of your candidacy for election, whichever occurs first.

- RCW 42.17A.235 requires candidates to timely and accurately disclose campaign contribution and expenditure information, including in-kind contributions or expenditures for professional services.
- RCW 42.17A.240 requires candidates to disclose other information as required by the Commission by rule.
- WAC 390-16-034 concerns additional reporting requirements adopted by the Commission and states "Pursuant to RCW 42.17A.240, each report required under RCW 42.17A.235 shall disclose, in addition to the name and address of each person who has made one or more contributions in the aggregate amount of more than one hundred dollars, the occupation and the name and address of the person's employer."
- RCW 42.17A.430(8) states that "No candidate or authorized committee may transfer funds to any other candidate or political committee."

## **II. Complaint Details**

As part of the complaint filed with the PDC, you provided documentation that included a copy of a spreadsheet listing 47 contributions from individuals of exactly \$100, that had been received by the Friends of Jim Cooper and disclosed on C-3 reports. Specifically, the complaint alleged that Mr. Cooper violated the following statutes:

- RCW 42.17A.205 by failing to timely file the C-1 report. The complaint alleged that the C-1 report filed by Mr. Cooper on February 29, 2016, was filed late based on other C-3 and C-4 reports filed by the Friends of Jim Cooper.
- RCW 42.17A.240 by failing to disclose other information as required by the Commission by rule including 47 contributions received by the Friends of Jim Cooper from individuals failed to disclose Monetary Contributions reports (C-3 reports), the Occupation and Employer information for contributions received from individual contributors is more than \$100.
- RCW 42.17A.235 by failing to disclose in-kind contributions or expenditures on Campaign Summary Contribution and Expenditure Reports (C-4 reports) for professional services for campaign photographs and for the domain registration for the campaign website.
- RCW 42.17A.430(8) by making a contribution to the Thurston County Democratic Central Committee, a local a political party organization registered with the PDC, to attend a fundraiser using 2016 campaign funds.



### **III. Staff Investigative Review and Analysis**

PDC staff reviewed the following documents:

- October 17, 2016, complaint filed by Glen Morgan against Mr. Cooper.
- Monetary Contributions reports (C-3 reports) and Campaign Summary Contribution and Expenditure Reports (C-4 reports) filed by the Friends of Jim Cooper Campaign and the Thurston County Democratic Central Committee.
- Query results for queries conducted of the PDC contribution and expenditure database.
- Correspondence and documents provided by Mr. Cooper through the Freshdesk email portal, and telephone conversations between PDC staff and Mr. Cooper.

#### Failure to disclose Occupation and Employer information on C-3 reports

Mr. Morgan provided the names of 47 individuals who made contributions of exactly \$100 to the Campaign that had been disclosed on a C-3 report, which he alleged failed to disclose the required Occupation and Employer information.

WAC 390-16-034 requires filers to Occupation and Employer information for contributions received from individuals of more than \$100. Since none of the 47 contributions exceeded the \$100 threshold, the Campaign was not required to provide that information.

#### Failure to timely file a Candidate Registration (C-1 report)

On November 13, 2015, Mr. Cooper filed his initial C-1 report declaring his candidacy for Thurston County Commissioner in 2016.

On February 29, 2016, Mr. Cooper filed an amended C-1 report for his 2016 candidacy for Thurston County Commissioner. The complaint referenced the February 29, 2016, C-1 report as being the initial filing, and evidently the complainant missed the November 13, 2015, C-1 report filed by Mr. Cooper.

On December 10, 2015, the Campaign timely filed the November 2015 C-3 reports, which included a C-3 report disclosing five contributions totaling \$1,350 that were received on November 14, and deposited on November 20, 2015.

On December 10, 2015, the Campaign timely filed the November 2015 C-4 report, which was the initial C-4 report, disclosing five expenditures had been made on November 18, 2015 totaling \$985 for remit printing, design work and initial donor mail, and to purchase an email list.

#### Failure to disclose in-kind contributions or expenditures

Mr. Cooper stated that the photographs used by his Campaign in mailings and on his website, had been taken in a local photography studio for his family, were paid for by him personally, and were taken for personal use. He stated that the other photographs were personal photographs that he had taken using his i-Phone, and there were no costs incurred in taking those photographs.

Mr. Cooper stated that the \$46.08 in-kind contribution from Matt Albrecht was disclosed as being received on October 17, 2016, to pay for the campaign website domain registration by the Friends of Jim Cooper on the 21-day Pre-General Election C-4 report. Mr. Cooper stated that the initial expenditure for the domain registration was made in late 2015.

#### Making a prohibited contribution to the Thurston County Democratic Central Committee (TCDCC)

On June 10, 2016, the Friends of Jim Cooper timely filed the May 2016 C-4 report, disclosing that on May 7, 2016, the Campaign made a \$1,300 expenditure to the TCDCC and listed the purpose of the expenditure as purchasing TCDCC Kennedy Dinner tickets for 13 individuals.

On December 7, 2016, PDC staff contacted Mr. Cooper by telephone and requested he provide additional information concerning the \$1,300 campaign expenditure. Mr. Cooper replied by email that the expenditure to the TCDCC was for a Kennedy Dinner and Auction fundraiser, which his Campaign attended as a sponsor. He stated that a total of 16 individuals went to the TCDCC's Kennedy Dinner as part of his Campaign's entourage, and they all sat together at the two tables sponsored by the Campaign.

Mr. Cooper stated that four of the individuals who attended the event on behalf of the Campaign, sent their donations directly to the TCDCC, and the Friends of Jim Cooper was given credit for those individuals. The Campaign made a \$1,300 expenditure for the remaining 12 attendees, which included Mr. Cooper, his spouse, and 10 other individuals who gave their contributions to his Campaign to be used to send funds to the TCDCC to attend the fundraising event.

Mr. Cooper attached two documents to his email: A campaign generated spreadsheet providing detailed information concerning the individuals who attended the TCDCC's Kennedy Dinner on behalf of the Campaign, and a 2016 Kennedy Dinner and Auction Sponsorship sheet, produced by the TCDCC. In the email, Mr. Cooper stated he personally invited each person listed in the spreadsheet to attend the TCDCC fundraiser at the tables sponsored by the Friends of Jim Cooper, and he asked them to make a contribution to his Campaign that would go towards the sponsorship cost for the two tables.

The Campaign generated spreadsheet included the names of the 16 attendees, the amount paid by each attendee and identifying if paid to the Friends of Jim Cooper (FOJC) or directly to the TCDCC, the deposit date of the contributions, and notes that had been made by Mr. Cooper. The spreadsheet identified 10 individuals who made a contribution to the Campaign for the Kennedy Dinner fundraiser, and four individuals who contributed directly to the TCDCC. He stated that that four individuals had already purchased tickets directly from the TCDCC by the time he



invited them to participate with the Campaign. He stated that his Campaign was credited by the TCDCC for those four individuals' contributions as noted below.

Mr. Cooper stated the other two attendees were him and his spouse, and that the Campaign paid for them to attend the event. At the bottom of the spreadsheet, Mr. Cooper provided a summary of the spreadsheet disclosing the following in the table below:

"Total sponsorship commitment by FOJC to TCD for Blue level sponsorship of two tables of 8 @ \$800 each for 5/7/2016 Kennedy Dinner"	\$1,600
FOJC "Campaign Paid to TCD on 5/7/2016"	\$1,240
"Others Paid Directly to TCD"	\$390
"Total TCD Revenue for \$1,600 sponsorship"	\$1,630
"FOJC credit used for advertising in newsletter later in cycle"	\$30

The emailed documents also included a 2016 Kennedy Dinner and Auction Sponsorship sheet, providing information to candidates, contributors and participants, and indicating that there were four different dollar amounts for levels of sponsorship for the event, and what that provided to the contributors:

- Red level: Above \$1,000 donation includes table for 8, complimentary wine (unlimited), mention from podium, listed in program, TCD newspaper, website and FB.
- White level: \$1,000 donation includes table for 8, complimentary wine (one white and one red), mention from podium, listed in program, TCD newspaper, website and FB.
- Blue level: \$800 donation includes table for 8, complimentary wine (one white and one red), mention from podium, listed in program, website and FB.
- Table sponsor level: \$650 donation includes table for 8, listed in program, website and FB.

PDC Staff requested that Mr. Cooper contact the TCDCC to find out the number of attendees at the fundraiser and the actual costs for the Kennedy Dinner in order to ascertain the total costs for the event. Once the total costs of the event were established, staff advised Mr. Cooper to divide that by the total number of attendees to determine the per person costs for each attendee, and the portion of the ticket price that may have been a "possible contribution" received by the TCDCC from the Campaign. Staff advised Mr. Cooper to be sure and include the costs to rent the facility for the fundraiser, staffing costs, outside vendor costs for miscellaneous goods or services, mailing and printing costs, liquor licenses, decorations and other incidental costs, in addition to the earlier requested costs of consumables for food, beverages, taxes and gratuities.

Mr. Cooper stated that the costs for the event included the following: (1) the fundraiser was held at South Puget Sound Community College and rental of the facility costs \$1,298; (2) the event was catered by Budd Bay Catering which cost a total of \$9,510 which included taxes, gratuity, food and beverage; (3) \$472 was paid as a fee that included the tables, tablecloths, centerpiece,



and other decor for the actual tables; and (4) \$224 for a merchant fees to process the credit card contributions received at the event.

Mr. Cooper stated that the notes from the TCDCC indicated that “raw COST of providing all food and beverage for the evening averaged \$76.19 per paid attendee. Times your two tables makes \$1218.99.” The information stated that the TCDCC has done significant work to develop and justify sponsorship levels for value received for the sponsors of the Kennedy Dinner. The notes from the TCDCC went on to state the following:

Internally, our assumption is that your sponsorship of \$800 is \$600 in ensuring attendance, and \$200 in advertising/marketing benefits. When we developed the sponsorship program - we did look at what advertising and promotional benefits we provide, what other organizations charge for sponsorships to private businesses, and the estimated values of name mentions, program mentions etc. We established the value of the table sponsorship at an additional \$200, for \$800 total.”

On December 15, 2016, PDC staff spoke with Mr. Cooper concerning this issue and requested that his Campaign take corrective action concerning the difference between the \$100 per attendee admittance price and the \$76.19 that was determined to be the per person costs of the event. Specifically, PDC staff requested that Mr. Cooper contact the TCDCC and request the party refund a total \$381 ( $\$23.81 \times 16$  attendees) to his Campaign. This \$381 is the amount of a potential contribution to the TCDCC.

Although Mr. Cooper believes his Campaign received a benefit from the \$381 amount, he agreed to contact the TCDCC about reimbursement to his Campaign. If the TCDCC was unwilling to reimburse his campaign the potential contribution amount, he was willing refund the \$381 to his Campaign using personal funds.

#### **IV. PDC Staff Assessment**

PDC Staff did not identify any violations from the following allegations:

- Failing to disclose Occupation and Employer information on C-3 reports, since none of the 47 contributions exceeded the \$100 threshold required by rule. Thus, the Campaign was not required to provide that information.
- Failure to timely file a Candidate Registration (C-1 report), since the complainant alleged the February 29, 2016 C-1 report was filed late by the Campaign, but he did not find the initial C-1 report filed on November 13, 2015.

The C-3 and C-4 reports filed by the Campaign disclosed that the first contribution had been received on November 14 and deposited on November 20, 2015, and the initial expenditures were disclosed as having been made on November 18, 2015.

Based on that information, the C-1 report was timely filed by the Campaign.

- Failure to disclose in-kind contributions or expenditures for personal services including photography services for photographs of Mr. Cooper that had been used in mailings and on his website, and for purchasing the campaign domain registration.

The photographs used by his Campaign had either been taken: (1) at a local photography studio prior to Mr. Cooper becoming a candidate in 2015, and was family pictures for their personal use, and paid for by Mr. Cooper using personal funds; (2) using his I-phone, for which there were no costs incurred in taking those photographs. Staff found no evidence that these two activities had any reportable value for the Campaign to disclose.

PDC Staff did identify possible violations from the following allegations against Mr. Cooper:

- Failure to disclose in-kind contribution of website domain registration. Mr. Cooper stated that the \$46.08 in-kind contribution from Matt Albrecht was to pay for the campaign website domain registration, and was made in late 2015. This \$46.08 expenditure, which indicated the registration was for five years, was disclosed late by the Campaign.
- Making a prohibited contribution to the Thurston County Democratic Central Committee (TCDCC). PDC staff found that Mr. Cooper's Campaign used Campaign funds to purchase event tickets that partially funded contributions to a political party. Although Mr. Cooper was not a first-time candidate, this is his first campaign under the Full Reporting option for a partisan office, and the reporting instructions concerning this issue are not specifically addressed in the PDC candidate filing instructions. Upon learning that the PDC guidance has been that only the consumables or base cost of attendance at a political party fundraiser may be paid for with active campaign funds, Mr. Cooper agreed to correct this by obtaining a refund from the TCDCC or by reimbursing his campaign from personal funds.

Pursuant to WAC 390-37-060 the Executive Director will issue a Formal Written Warning to Mr. Cooper for a minor violation RCW 42.17A.235 for failing to report one in-kind contribution of \$46.08, and a technical violation of RCW 42.17A.435 for making prohibited contributions of \$381 to a party organization from campaign funds.

If you have questions about PDC Complaint 8928, you may contact Kurt Young, toll-free at 1-877-601-2828, or by e-mail at [pdcc@pdcc.wa.gov](mailto:pdcc@pdcc.wa.gov).

Sincerely,

  
Kurt Young  
PDC Compliance Officer

Endorsed by,

  
Evelyn Fielding Lopez  
Executive Director

cc: Jim Cooper